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City of Berkeley

Planning and Community Development Department
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PRELIMINARY WORKING DRAFT

COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY

(CHAS)

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PART 1 GENERAL NEEDS ASSESSMENT

A. Introduction

The City of Berkeley is continuing to experience housing problems noted in the City's 1985 Housing Element such as homelessness, lack of affordability, and gentrification. Although the City, through local regulations and housing assistance programs, has managed to reduce the number of households paying too much for rent, gains made in the last decade are expected to be lost if recent trends and conditions negatively affecting housing persist. Especially affected by the housing crisis are low income households, that is, households with income below 80% of median for this area. These households are generally minorities and people with special housing needs. Current trends are ominous and it seems unlikely that the attention and resources needed to provide affordable housing will be forthcoming from either the federal or state level. At the federal level, there is a major discrepancy between amounts authorized under the 1990 Housing Affordability Act and amounts proposed in the budget. This year's State budget contains major cuts in housing-related and social safety net programs. At the local level, additional revenue sources and new programs are being planned to maintain affordable housing, but by themselves they can only deal with a small portion of the housing need. It will take considerable resources and coordination of both the public and private sector at all levels to ensure that the housing needs of Berkeley's population will be met.

B. Housing Needs of Renter Households

The figures in Table A1 contain the number of lower income renter households in need of housing assistance. Those figures were derived from the City's latest Housing Assistance Plan which show that approximately 12,557 of the City's renter households were lower income.

The 1980 Census data indicated that 50% of all renter households were rent burdened. However, more recent data obtained from a 1989 Household Survey undertaken by Bay Area Economics (BAE), Inc. suggest those numbers may now be considerably lower.¹ The BAE survey found that approximately 41 percent of all households in rent controlled units were paying too much for rent and that approximately 69% of low income households were rent-burdened. There are approximately 19,000 households who live in rent-controlled units; therefore, 7,790 were rent burdened. If the 23% percentage of full-time student renter population is not considered, approximately 5,400 of the low income households were rent burdened. Of these, 1250 households are households with children, 800 couples without children and 3350 households of single adults living either alone or in shared housing.²

¹ In 1988 Bay Area Economics undertook a tenant survey for the City. Comparison with initial data available from the 1990 Census indicates that the survey's general trends are correct but that the survey may be skewed (because it was a written survey) to undercount the low income renter population.

² Analysis based on BAE Survey data.

The reduction in number of renters who are rent burdened from 50% to 41% suggests that the City's Rent Stabilization Ordinance and other regulations and assistance programs have been successful in reducing overpayment for rent. However, on the negative side, data also indicates that there has been loss of rental units with a concomitant reduction in tenant households (the 1990 Census indicates that the renter household has declined from 62% to 56.4%) in the last ten years. Given that new homeownership is now generally possible only to those with higher incomes, the new ratio suggests a loss of low and moderate income households.

C. Projected Five Year Housing Need

The number of persons with housing needs are expected to rise dramatically in the near future in Berkeley because of a number of major factors negatively affecting housing affordability for low income households. Summarized these factors are: (1) Locally, major rent increases are expected as a result of changes in rent control regulations. The change allows increase units with the lowest rents (the so called "historically low rent" units). In general, these are units which are occupied by low income tenants. This change alone is expected minimally result in major increases in rents for approximately 1,100 low income tenants now paying affordable rents.³ Another change in regulations allows other increases based on rents charged for comparable units. Another regulation change will allow increases if tenants and landlords arrive at "separate agreements" for payment of amenities such as furniture and parking. Additionally, a recent State court decision (the Searle decision) allows rental properties owners retroactively to increase rents by the yearly rate of inflation. Depending on the court rules on how the decision is to be implemented, this change is expected to permit an average of approximately 33% rent increase in all controlled rental units. Although in some cases, there are provision for increases to be phased in for certain low income tenants who request it, eventually would still result in those low income tenants becoming rent-burdened. Moreover, not all low income households are eligible to apply for a phase-in.

The tight housing market in the Bay Area is another factor which will continue to negatively effect housing affordability leading to the continued conversion of rental units to homeownership. Because of high housing acquisition costs, such conversions result in gentrification (loss of low and moderate income households). The continuation of the current recession and high unemployment rate are yet other factors which will reduce some households' ability to afford housing. The state's recent ruling allowing discrimination based on amount of income (i.e., an owner can legally discriminate against a tenant where the rent is above 30% of the tenant's income) will compound the affordability problem facilitating homelessness, increasing the number of households living in overcrowded conditions, and forcing some to move out of the City.

D. Summary of Achievements

Up to now, more than any other nearby community, Berkeley was able to maintain the affordability of rental units by sheltered a substantial part of its housing stock from market pressures. Most rental housing is covered by rent and eviction controls; there are 900 units of subsidized housing and approximately 1,700 units whose rents are subsidized through the Section 8 rent existing housing

³City study analyzing effects of this change in regulations. The City currently has a lawsuit against the Rent Stabilization Board for failure to undertake an environmental review of the effects of this change.

assistance program.⁴ The assisted sector represents roughly 10 percent of the rental housing stock. During the 1986-90 period the City completed the low income housing development projects in progress in 1985 and initiated and completed new ones. It met 96% of its share of the regional goal established by ABAG for the period 1980-1990 for new low income housing and 80% of the total for all income groups. Berkeley is also close to a balance between jobs and housing, with 1.1 jobs for each employed person living in the City. Proportionally, Berkeley also provided more than other localities in the region to assist the homeless. Moreover the City undertook its housing programs with minimum residential displacement.

The City also approved several new ordinances, including an Inclusionary Zoning Ordinance which ensures that 20% of new housing developments with five or more units are reserved for low/moderate income housing, the Residential Hotel Non-Conversion Ordinance which protects Single Room Occupancy (SRO) housing, an ordinance to provide relocation benefits to tenants temporarily displaced when a property is brought into code compliance, and fair housing legislation to protect students and those with Acquired Immune Deficiency Syndrome (AIDS) against housing discrimination.

In terms of new housing, the vast majority of multi-family housing developments were either created directly by the BHA (75 units), the Berkeley Redevelopment Agency (13 units) or were undertaken by community non-profits entities with local and other government assistance.

In view of reductions in federal funding, the City redirected its rehabilitation programs to focus on the rental housing most at risk of deterioration. xxx of units were rehabilitated under the federal Rental Rehab Program, the Section 312. The City enacted a variety of other maintenance and energy conservation programs to help preserve and improve the City's housing stock. Most recently, under the CALDAP program, it expects to assist xxx units to repair damages caused by the 1989 Rieta-La Loma earthquake and in September 1991 is expected to pass an ordinance requiring buildings with unreinforced masonry foundations to make their buildings seismically safe.

In July 1990, the City adopted its Housing Element in compliance with State-mandated requirements, drafted new area plans for the Downtown, West Berkeley and South Berkeley. Restructured its City administration to better integrate housing with overall community development. The City and the University have also established systematic communication on University plans which affect the City. In November 1990 Council created a Council Subcommittee on Housing to direct the City's housing strategy especially in view of expected increase in rents.

E. Evaluation of Major Housing Problems and Issues

Berkeley is in the center of a region going through significant demographic and economic changes which have resulted in the current housing crisis. Housing costs are increasing more rapidly than incomes, and jobs are being created more rapidly than new housing. According to ABAG (Association of Bay Area Governments), recent market forces and uneven economic development tended

⁴ The BHA was able to achieve full lease up of all of its authorized allocation increasing rental subsidies from approximately 1200 to 1700 very low income households.

towards a bifurcated incomes pattern with a large number of new jobs in sectors with high and low wages and relatively fewer jobs in the middle range. The high level of economic growth increased the demand for housing in an already tight housing market and resulted in increased housing costs for both rental and homeownership units.

High housing costs have adversely affected the quality of life for all. Increased housing cost is a major factor in households having to work more than in the past to be able to afford housing. Regionally, according to ABAG, households with more than one person working and persons holding down more than one job have both increased dramatically. The recent demographics survey conducted by the City indicates that the same is true for Berkeley. Many others are paying too much for housing, living in overcrowded or poor conditions. Some are forced out of the City, others are forced out into the streets.

Drastic cuts in federal and state funding for housing and other social services presented the second major constraint on the City's ability to provide needed housing programs. The biggest housing assistance program both at the federal and state level continues to be the mortgage interest income tax deduction whose benefits accrue primarily to upper middle and higher income homeowners. On the other hand, The Urban Institute, a research organization, has reported that fewer than 17% of the nation's very low income households received federal rent subsidies in 1988.⁵

1. Housing Affordability

Increased homelessness is the visible "tip of the iceberg" of the housing crisis. It is discussed in the Special Needs Section of this CHAS.

As touched upon earlier, many Berkeley residents pay too much (over 30% of their income) for housing, live in overcrowded and otherwise poor conditions, and some are forced to move out of the city. The most immediate threat to housing affordability of the City's low income renter population comes from increases allowed under new regulations for the Rent Stabilization Program. Those regulations set minimum base rents at 75% of the 1989 Section 8 Fair Market Rents, plus all annual rent adjustments granted thereafter. The charts that follow indicate new minimum rents allowed, percentage of units affected, and range of increases.⁶ A large portion of the very low income population is at imminent risk of becoming homeless. The City is in the process of devising programs generate resources and provide assistance necessary to address this major affordability problem. Those programs will be discussed in the 5-year Strategy and One-Year Plan portion of this CHAS.

Unit Size	New 1991 Minimum	% Units affected	Income Needed for affordability
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⁵ (California Legislative Analyst Organization, "A Perspective on Housing in California", January 1990

⁶ March 13, 1991 Memorandum from Acting Assistant City Manager for Community Development to Rent Stabilization Program Director.

Studio	\$3,372	35%	\$11,240
1-Bedroom	\$3,948	31%	\$13,160
2-Bedroom	\$4,500	21%	\$15,000
3-Bedroom	\$5,988	22%	\$19,960
4-Bedroom	\$6,480	8%	\$21,600

Income Groups of Affected Tenants

	% Increase	Amount	% of all increases
Very Low Income	38%	\$79	48%
Low Income	22%	\$49	16%

The number of households who will become rent-burdened as a result of the Searle decision is expected to be major but has still to be analyzed. Equally difficult to quantify is the number of households which will be unable to rent in Berkeley because of the discrimination based on amount of income.

2. Conversion of Rental Units to Owner-Occupancy

High home prices are leading to the conversion of rental units to owner-occupancy by making the sale of rental units to property owners more profitable than holding them for rental income. Based on data from a survey of residents, City staff estimates that approximately 4,500 rental units have been converted to homeownership in the last decade. That data suggests that half of those converted are single-family units and the remaining ones are primarily in buildings with two to four units.

The 1990 Census shows that the conversion of rental property to homeownership has not affected the number of minority households residing in Berkeley. In fact, overall the City's minority population is increasing and the White population is decreasing (there has been a loss of the Black population and an increase in the Asian and Hispanic population). However, there is reason to believe that the income diversity of the City's population is being threatened. Data on conversion of rental units to homeownership indicates that such conversions are resulting in "Gentrification" (i.e., a process by which low income as well as moderate income households are replaced by higher income ones). The average home value in Berkeley in 1988 was \$250,000, making housing purchase affordable only to 10% of the population, and prices have gone up since then. Even the least expensive houses cost \$100,000, and with favorable financing would require a \$32,000 annual family income. While in most of the state, the cost of home ownership has increased the number of tenant households, in Berkeley the reverse is occurring. The 1990 Census indicates that the tenants-to-owners ratio is now 56.4%% to 43.6%, whereas the 1980 Census showed that ratio to be 62% tenants and 38% owners. The American dream of homeownership became even more tenuous during the 1985-90 period as median housing prices increased at a much greater rate than household income. Better evaluation of the gentrification phenomenon can be undertaken when 1990 Census income figures become available.

The increasing conversion of rental buildings with two or more units through the use of joint homeownership through tenants-in-common arrangements presents a policy dilemma for the City. While this type of homeownership is affordable to moderate income persons who otherwise could not buy housing in Berkeley, it has resulted in a loss of rental housing potentially available to very low and low income people, and students. But loss of moderate income households is also a serious problem because this group keeps the City from gradually becoming polarized until only low income and high income people live in Berkeley. Recently the City Council placed a moratorium on tenancy-in common purchases of buildings with four or more units until the situation can be better assessed.

3. Housing Stock Condition

Because Berkeley is a built-up City with strong demolition controls, maintenance of the existing housing stock is the primary means by which the City can meet its housing needs. Housing rehabilitation and conservation programs are a crucial element of the City's housing policy. Factors such as an aging housing stock (half of all housing units in the city were built before 1940), shoddy construction during the 1950s, inability of owners to get rehabilitation financing (either because of rent control or other factors), drug-related problems affecting maintenance, and other maintenance problems all contribute to making housing conservation and maintenance programs a necessity in the City.

The 1989 earthquake further deteriorated the City's housing stock. It has emphasized the need to do seismic retrofitting of unreinforced masonry residential buildings and other housing which was built before adequate seismic standards were required. While an ordinance has been adopted for retrofitting of larger buildings, research, planning, and program development and funding is needed to increase the earthquake safety of single family (one to four units) housing. Programs such as CALDAP are important because they allow both seismic and other code compliance rehabilitation to be made at the same time. To encourage seismic retrofitting, a recently enacted increase in the property transfer tax allows that tax to be reduced from 1.5% of sales price to as low as 1% based on amount spent for seismic safety measures.

A prominent maintenance issue regarding rental property has been that of how to deal with rental properties whose owners, because of low rents, are unable or unwilling to obtain financing to make repairs necessary to bring properties into code compliance. The recent administrative changes allowing owners of "historically low rent" units, (units which, at the time that rent control went into effect, had rents below a break-even level) should increase the possibility of better maintenance but whether it will actually do so remains to be seen. The City has approved a local rental rehabilitation program which has the dual focus on encouraging maintenance of the housing stock and in maintaining the affordability of rental units.

Another maintenance related problem is that of vacant units in the City. Initial research indicates that the potential number of units being left vacant is significant. Further analysis is needed to determine the nature and extent of the vacant unit phenomenon and develop appropriate programs to bring those units back into the market. This too will be an area where development of an incentive program

is important to encourage owners to place those units back on the market.

4. New Housing Construction

Although conservation of the on existing housing stock is the primary way for the City to meet its housing needs, a certain amount of new housing is also needed. The City's main area of involvement will be to meet the low income new housing goals established by ABAG; the other new housing needs can be accommodated by the private sector and by the University of California. Most of the new multi-unit construction will be in-fill, in areas zoned residential or commercial. The City will need to consider what types of incentives it can offer to have the private market develop housing that enhances affordability, livability, open space, privacy, low automobile usage, creative neighborhood design and provides environmental safeguards for adjoining single family areas. Current zoning encourages mixed commercial-residential uses in commercial corridors, and live/work arrangements in manufacturing areas in West Berkeley, as long as there are no health hazards. Second units are expected to continue being a good source of affordable new housing units.

City regulations require discretionary review of any type of new housing development, including single-family housing. The pattern in the last five years has been that of neighborhood opposition to virtually all new housing proposed (whether private or publicly assisted). This has discouraged new housing, caused delays and increased housing costs. A major reason for such opposition is the concern with increased density and its affect on the positive features that give Berkeley its unique character. Housing proponents, including environmentally concerned groups, however, have noted that problems associated with density are often attributable to other factors such as commercial developments, employment and transportation patterns, parking and circulation problems, problems of design, and problems of poverty rather than new housing additions.

In creating new low income housing, issues have arisen regarding high costs of new housing construction, location of such housing, size (both in terms of what size households should be served and how much space per person is necessary), income groups to be served (the goal of having economic diversity within buildings may result in using government resources to assist not only the lowest income groups but those who are low and moderate income but cannot afford housing). While homeownership with long-term affordability restriction is the City's preferred tenure type, the basis is often predicated by resources available.

5. Regional Issues

Berkeley is not an island; it is increasingly evident that it is directly affected by outside forces. On the regional level, housing/jobs/transportation and their interaction are the major issues facing us in the coming five years and affect the quality of life of all income groups. Existing problems of homelessness, housing affordability and conservation of the natural environment go beyond local boundaries and can only be resolved on a regional level. Issues of continued growth in the absence of strong reconsideration of current negative patterns of growth and development pose a strong environmental dilemma of how to meet California's economic need without impinging upon valuable farmland and open space. Although regional planning can sound appealing, communities fear loss of local control. Ideally, regional planning and cooperation to resolve housing problems should be taken

voluntarily but if they are not, they may be imposed.

Berkeley has done well in meeting its share of regional new housing needs. Other cities have not. According to a recent report prepared by the California Coalition for Rural housing, nearly one quarter of California communities are producing no low-income housing at all and statewide only 16% of the needed new affordable housing has been produced. Worse, it is likely that a greater percentage of existing affordable housing has been lost due to uncontrolled rent increases. The trend towards loss of affordability is likely to continue.

Just at the time that the need for statewide/regional coordination appears increasingly needed may also be the time of greatest challenge to actually achieving it. Reduced resources due to a depressed economy is beginning to show its effects and will be an impediment to achieving common regional goals reached. The 1991-92 state budget has reduced the type of services and payments available to the poor this year and in the coming years. In terms of housing, programs authorized under proposition 77 and 84, and 106 will soon have used the allocated amount and are unlikely to be continued unless additional resources are made available. At the regional level, Alameda County has just slashed programs for food and homeless services. Much work will be necessary to convince communities that ultimately all communities benefit by each doing its fair share in terms of providing affordable housing.

PART B. SPECIAL HOUSING NEEDS

A. Increased Homelessness

Shelter is a basic human need, yet in the last five years the number of homeless persons have drastically increased. The total number of homeless in Berkeley and the East Bay is unknown, but Berkeley's homeless assistance programs helped over 2,000 different people in 1989, up from 800 in 1985. Those figures may be even higher due to the loss of SRO units resulting from the 1989 earthquake⁷. The figures are likely to be more accurate than the 1990 Census which places the number of homeless living in shelters or in the streets in Berkeley at 765. The Census numbers on homelessness have been widely criticized for undercounting. A county-wide profile of those seeking emergency shelter during one week in 1989 reported that four times as many requested shelter as there were beds available, and that 62 percent were families with children. The City does not have figures (which are very difficult to obtain) for the precise categories requested to be included in the Comprehensive Housing Affordability Strategy such as the disabled and mentally ill, alcohol and drug abusers, victims of domestic violence, runaway & abandoned youths. It has other data on different characteristics of the homeless population who are services recipients in Berkeley which is contained in Appendix C. The data available indicates that the composition and situation of homeless persons vary substantially and that in addition to shelter, a large portion of the homeless population has a variety of other social services needs.

B. At Risk Population

Thanks to the many non-profit service providers and the City's cooperation with those concerned with providing services to homeless persons, the City has done relatively well in comparison to other cities as can be seen in the appendix B which describes the various services available. Berkeley provides 220 emergency shelter beds, 30 percent of the total in Alameda County, and half of the beds for single men, even though only one sixth of the county's homeless identify Berkeley as their home.

However, the services available will continue to be inadequate to meet the need. It appears that a large number of very low income persons may be facing the risk of becoming homeless if present conditions persist. As has been discussed earlier, the number of very low-income, non-student households paying over thirty percent of income for rent are expected to increase dramatically and these constitute an at risk population for homelessness. Using a very low figure of 35 percent rent burdened tenant households, and taking out the 23 percent of such households made up entirely of full time students, this would project out to 5,400 rent burdened non-student households city-wide. At risk are at least 1250 households with children, 800 couples without children and 3350 households of single adults living either alone or in shared housing. These numbers are substantiated by the approximately 1,200 households on the Section 8 Waiting list requiring two or more bedrooms. Of these 726 are on the federal preference list which indicates homelessness or risk of homelessness.

⁷ Health and Human Services figures provided by Homeless Services Agencies

The estimates are conservative since they do not account additional persons at risk due to the expected rent increases in rent controlled units discussed earlier. A worsening of the economic situation will also increase those at risk of becoming homeless (the current jobless rate in California is one of the highest in the nation at 8.2% of the work force).

Efforts to assist homeless persons must distinguish between subgroups and coordinate programs according to their various needs. The City views temporary emergency shelter as a last resort and a band-aid approach to the problem of homelessness. Transitional housing coordinated with other social services is a better solution, but the City will have to reach some agreement as to where such housing can be made available. Tension between the neighborhood and homeless persons can be eased when transitional housing is operated by non-profits with sound housing management skills, and when other social services are provided. However, ultimately, the concept of transitional housing begs the question "transition to what?". The availability of permanent affordable housing is the key to reducing the problems of homelessness.

B. Other Special Needs

1. The Elderly

About ten percent of the Berkeley population are over the age of 65. In 1980 57 percent of the elderly lived in family households, 38 percent lived alone and five percent in group quarters. 8,274 households had at least one elderly resident, with two-thirds owner-occupied and one-third renting. One third of owner-occupied houses included an elderly resident, compared to only ten percent of rental units. Ten percent of the elderly in households, about 1,000 people, are very low-income, and 80% of the elderly poor are homeowners. This is substantially below the poverty rate for the city as a whole. Elderly low-income homeowners often need help in maintaining their homes and many of these homes have more space than the residents currently need. City programs aimed at the elderly are the shared housing program, reverse annuity mortgage program, a low interest deferred loan program, and a free minor home repair program. The City also has a variety of other social services programs for the elderly including four Senior Centers, meals program, a senior health clinic. The Commission of Aging is a permanent City commission which recommends Council on policies and programs for seniors.

2. Single-Parent Families

Nearly ten percent of Berkeley households are made up of single, mostly female, parents with children, about 40 percent of all children in Berkeley. One third of these households are very low-income, compared with less than ten percent of two parent families. These low income single heads-of-household with children need affordable housing but are often considered undesirable tenants. They also need child care, health care and education or job-training. They are at dual risk of discrimination because of their children and of their low income.

The Disabled

Based on 1980 Census data about 3,200 Berkeley residents are physically disabled, having a condition which results in a "public transportation disability". Of these the majority are elderly, but 1,500 are between the ages of 16 and 64. Much of the city's older housing stock is inaccessible to the disabled but the city's large amount of wood-frame housing in 1-4 unit buildings readily lends itself

to the installation of ramps, wider doors and interior changes such as accessible kitchen and bathroom hardware. City funding allows the Center for Independent Living to make about 70 homes a year wheelchair accessible. The increase in the price of 1-4 unit properties makes it more difficult for middle and lower income households with disabled members to find housing in Berkeley, however. The Center for Independent Living (CIL) housing referral service has 382 very low income disabled tenants who are in need of affordable housing.

Large Families

Berkeley has about 2,000 households with five or more people and 1,000 with 6 or more. BAE survey data indicate that of the latter figure, half are lower income, ten percent moderate-income and two-fifths are above moderate and that 400 are renters and 600 are owners. Some may be unrelated individuals sharing housing rather than families. Lower income large families who are renters face particular problems in Berkeley because there is little available rental housing stock with three or more bedrooms which is affordable.

Student Housing

According to the BAE household survey, over 12,000 Berkeley households have at least one member of the household who is at least a half-time student age of 18 or over and not in high school, a total of about 19,000 students in households. In addition, there are another 8,300 beds for University of California students in University and UC affiliated group quarters. This indicates a total population of 27,000 students, with about 20,000 of them students at the University of California at Berkeley and another 7,000 attending various other educational institutions, from medical school to hotel training, in Berkeley and around the Bay Area. The number of private units inhabited by UC students went down from 9,700 to 5,800, a decline of 3,900 units, partially compensated for by an increase from 1.6 to an average of 2.0 students per private housing unit. Students particularly need housing located close to Campus to reduce commuting to the congested areas around the University.

Responsibility for meeting student housing needs rests with the University. The University in its Long Range Development Plan has indicated its willingness to construct significant amounts of new student housing. In general, the City is favorable to the additional student housing developments proposed in the University's 1990 Long Range Development Plan. It recognizes the need for student housing and the importance that such housing has in helping to meet the City's goals relating to meeting its new housing needs, in reducing the level of competition between students and non-students for existing housing, and in developing housing that is environmentally sound.

Already 917 new beds have been approved by the Regents. It is uncertain as to how much additional student housing the University will actually build in the next five year. The Regents have required that University housing pay for itself. Because of high housing costs, this means that new housing may not be built or may be much more expensive than previously built housing, thus raising the rents of all students in University housing (since higher construction costs would not necessarily be added to the particular project). This could have a harmful impact on students from low-income families or independent students if additional financial aid is not available to compensate for these rent increases.

Documentation

CHAS Table 1A

Housing Assistance Needs of
Low & Moderate Income HouseholdsU.S. Department of Housing and Urban Development
Office of Community Planning and Development

Comprehensive Housing Affordability Strategy (CHAS)

DRAFTName of Jurisdiction(s) or Consortium:
City of Berkeley

Five Year Period

FY: through FY:

Mark one:

- ☒ Current Estimate as of: (enter date)
- ☐ Five-Year Projected Estimate as of: (enter date)

Mark one:

- ☒ All Households
- ☐ Racial/Ethnic Group Households: (specify) ¹

Household by Type, Income, & Housing Problems	Renters					Owners				
	Non-elderly Households				Total Renters	Non-elderly Households				All Owners
	Elderly Households (A)	Small Family (2 to 4) (B)	Large Family (5 or more) (C)	All Other Households (D)	(E)	Elderly Households (F)	Small Family (2 to 4) (G)	Large Family (5 or more) (H)	All Other Households (I)	(J)
1. Very Low Income (0 to 50%)	996	7,834	204		9,134					
2. With Housing Problems										
3. Physical Defects										
4. Overcrowded										
5. Cost Burden > 30%										
6. Cost Burden > 50%										
7. Other Low-Income (51 to 80%)	370	3058	95		3,523					
8. With Housing Problems										
9. Physical Defects										
10. Overcrowded										
11. Cost Burden > 30%										
12. Cost Burden > 50%										
13. Total Low-Income	1,366	10,892	299		12,557					
14. Moderate Income (81 to 95%)										
15. With Housing Problems										
16. Physical Defects										
17. Overcrowded										
18. Cost Burden > 30%										
19. Cost Burden > 50%										
20. Middle Income Hshlds. (96 to 120%)										
21. All Households										

¹ See Table 2A for listing of Racial/Ethnic Groups

This table is based on HAP and 1980 Census data

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household -1 for minority
Hshlds2nd copy
HAP or HAP
E SWE form

PART I

A. GENERAL NEEDS ASSESSMENT

B. HOMELESS NEEDS ASSESSMENT

CHAS Table 1A

U.S. Department of Housing and Urban Development
Office of Community Planning and DevelopmentHousing Assistance Needs of
Low & Moderate Income Households

WHITE

Comprehensive Housing Affordability Strategy (CHAS)

JUN 15 1991

Name of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period:

FY: through FY:

Mark one:

☒ Current Estimate as of: (enter date)☐ Five-Year Projected Estimate as of: (enter date)

Mark one:

☐ All Households☒ Racial/Ethnic Group Households: (specify) ¹ WHITE

Household by Type, Income, & Housing Problems	Renters					Owners				
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 Member Households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	All Owners (J)
1. Very Low Income (0 to 50%)*	436	3,475	95		4,011					
2. With Housing Problems										
3. Physical Defects										
4. Overcrowded										
5. Cost Burden > 30%										
6. Cost Burden > 50%										
7. Other Low-Income (51 to 80%)*	194	1,546	43		1,783					
8. With Housing Problems										
9. Physical Defects										
10. Overcrowded										
11. Cost Burden > 30%										
12. Cost Burden > 50%										
13. Total Low-Income	630	5,021	138							
14. Moderate Income (81 to 95%)*										
15. With Housing Problems										
16. Physical Defects										
17. Overcrowded										
18. Cost Burden > 30%										
19. Cost Burden > 50%										
20. Middle Income Hshlds (96 to 120%)*										
21. All Households										

¹ See Table 2A for listing of Racial/Ethnic Groups

* Or, if appropriate, based on HUD income limits with required statutory adjustments.

This table is based on HAP and 1980 Census data

CHAS Table 1A

U.S. Department of Housing and Urban Development
Office of Community Planning and DevelopmentHousing Assistance Needs of
Low & Moderate Income Households

Comprehensive Housing Affordability Strategy (CHAS)

JUN 15 1991

Name of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period:

FY: through FY:

Mark one:

☒ Current Estimate as of: (enter date)☐ Five-Year Projected Estimate as of: (enter date)

Mark one:

☐ All Households☒ Racial/Ethnic Group Households: (specify) ¹ BLACK

Household by Type, Income, & Housing Problems	Renters					Owners				
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 Member Households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	All Owners (J)
1. Very Low Income (0 to 50%)*	411	3,278	90		3,779					
2. With Housing Problems										
3. Physical Defects										
4. Overcrowded										
5. Cost Burden > 30%										
6. Cost Burden > 50%										
7. Other Low-Income (51 to 80%)*	139	1,111	31		1,281					
8. With Housing Problems										
9. Physical Defects										
10. Overcrowded										
11. Cost Burden > 30%										
12. Cost Burden > 50%										
13. Total Low-Income	550	4,389	121		5,060					
14. Moderate Income (81 to 95%)*										
15. With Housing Problems										
16. Physical Defects										
17. Overcrowded										
18. Cost Burden > 30%										
19. Cost Burden > 50%										
20. Middle-Income Hshlds (96 to 120%)*										
21. All Households										

¹ See Table 2A for listing of Racial/Ethnic Groups

* Or, if appropriate, based on HUD income limits with required statutory adjustments.

This table is based on HAP and 1980 Census data

CHAS Table 1A

U.S. Department of Housing and Urban Development
Office of Community Planning and DevelopmentHousing Assistance Needs of
Low & Moderate Income Households

Comprehensive Housing Affordability Strategy (CHAS)

JUN 15 1991

Name of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period:

FY: through FY:

Mark one:

☒ Current Estimate as of: (enter date)☐ Five-Year Projected Estimate as of: (enter date)

Mark one:

☐ All Households☐ Racial/Ethnic Group Households: (specify)¹ ASIAN

Household by Type, Income, & Housing Problems	Renters					Owners				
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 Member Households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	All Owners (J)
1. Very Low Income (0 to 50%)*	68	545	15		628					
2. With Housing Problems										
3. Physical Defects										
4. Overcrowded										
5. Cost Burden > 30%										
6. Cost Burden > 50%										
7. Other Low-Income (51 to 80%)*	22	174	5		210					
8. With Housing Problems										
9. Physical Defects										
10. Overcrowded										
11. Cost Burden > 30%										
12. Cost Burden > 50%										
13. Total Low-Income	90	719	20		829					
14. Moderate Income (81 to 95%)*										
15. With Housing Problems										
16. Physical Defects										
17. Overcrowded										
18. Cost Burden > 30%										
19. Cost Burden > 50%										
20. Middle Income Hshlds. (96 to 120%)*										
21. All Households										

¹ See Table 2A for listing of Racial/Ethnic Groups

* Or, if appropriate, based on HUD income limits with required statutory adjustments.

This table is based on HAP and 1980 Census data.

CHAS Table 1A

Housing Assistance Needs of
Low & Moderate Income HouseholdsU.S. Department of Housing and Urban Development
Office of Community Planning and Development

Comprehensive Housing Affordability Strategy (CHAS)

JUN 15 1991

Name of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period

FY: through FY

Mark one:

☒ Current Estimate as of: (enter date)☐ Five-Year Projected Estimate as of: (enter date)

Mark one:

☐ All Households☒ Racial/Ethnic Group Households: (specify) ¹ HISPANIC

Household by Type, Income, & Housing Problems	Renters					Owners				
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 Member Households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	All Owners (J)
1. Very Low Income (0 to 50%)*	53	425	12		491					
2. With Housing Problems										
3. Physical Defects										
4. Overcrowded										
5. Cost Burden > 30%										
6. Cost Burden > 50%										
7. Other Low-Income (51 to 80%)*	23	185	5		213					
8. With Housing Problems										
9. Physical Defects										
10. Overcrowded										
11. Cost Burden > 30%										
12. Cost Burden > 50%										
13. Total Low-Income	76	610	17		703					
14. Moderate Income (81 to 95%)*										
15. With Housing Problems										
16. Physical Defects										
17. Overcrowded										
18. Cost Burden > 30%										
19. Cost Burden > 50%										
20. Middle Income Hshlds (96 to 120%)*										
21. All Households										

¹ See Table 2A for listing of Racial/Ethnic Groups

* Or, if appropriate, based on HUD income limits with required statutory adjustments.

This table is based on HAP and 1980 Census data

INVENTORY OF HOMELESS FACILITIES AND SERVICES 1990

AGENCY/PROGRAM	ADDRESS	SERVICE OFFERED	# OF BEDS/OUTPUT	FUNDING SOURCE
1. Berkeley/Oakland Support Services	2100 M.L.K Way (Office) Shelters: 711 Harrison St T. Houses: Ninth St McKinley St.	Emergency Shelter, family shelter, transitional house, food, public assistance, housing advocacy.	124 (Harrison St. 90E Ninth St 10 T McKinley St. 24TF)	City General Fund Alameda County CDBG Fed. McKinney Funds
2. Berkeley Emergency Food Project	2425 College Av. Berkeley CA. 94704	Two Shelters run through rotating shelter program, free meals.	100 E 200 Meals per night	City General Fund CDBG, CSBG Alameda County Fed. McKinney Funds
3. Womens Refuge	Office (415) 547-4663 Shelters: Shattuck Av T. Houses: Byron St.	Emergency Shelter for battered and displaced low inc. female heads of household and their children	23 E 10 T	City General Fund Fed. McKinney Funds
4. Veterans Assistance Center	Office; 2198 6th St Shelter; 1621 Ashby Av.	Employment/Training services readjustment/substance abuse individual/group counselling	10 T	City General Fund Fed. McKinney Funds CDBG
5. Bonita House	1910-1912 Hearst T. House	Housing, Counselling, life-skills training to very low-inc. mentally disabled adults	18 T	City General Fund
6. Coalition For Alternatives In Mental Health	1720 Oregon St Berkeley CA 94703	Drop In Center for information counselling/referral, advocacy, social activity groups	Support services only	City General Fund
7. Housing Rights For Children	3354 Adeline Av. Berkeley CA 94703	Legal Counseling, emergency housing referrals, advocacy	Support services only	City General Fund CDBG
8. Center For Independent Living	2539 Telegraph Av. Berkeley, CA 94704	Housing search services, peer counseling, support group services for the disabled	Support services only	City General Fund Fed. McKinney Funds CDBG
9. South Berkeley Community Church	1802 Fairview St Berkeley CA	Free Hot meals (Supports feeding programs at McGee Av. Baptist Church and Church of Christ) Clothing, Referral	Over 200 meals per day	City General Fund

* E= Emergency, T= Transitional, F=Family

9
H

10. Newman Hall	Cr. Dwight/College Av	Free Showers		
11. ECHO Housing	770 "A" St. Hayward CA 94541	Rental Assistance Program Homesharing Program	15 Housing Grants and loan guarantees per year	City General Fund CDBG
12. YMCA New Light Senior Center	2901 California St Berkeley CA 94703	Multipurpose center, meals, housing counselling, referral, information	Support Services only	City General Fund CDBG
13. Resources For Community Devt.	2131 University Av #422 Berkeley CA 94703	Tenant assistance in purchase of property, Co-op conversion, SRO/Shelter Acq./rehab.	Support Services only	City General Fund CDBG Redevelopment Funds
14. Berkeley Free Clinic	2339 Durant Av Berkeley CA 94704	Free Medical/Dental Care, peer counselling, to homeless and low income population	Over 500 people served per year	City General Fund CDBG
15. Project Share	3102 Telegraph Av Berkeley CA 94705	Housing Matching Service for seniors	45 "Matches" made per year	City General Fund CDBG
16. City of Berkeley Mental Health Svcs.	2180 Milvia St Berkeley CA 94704	Outpatient mental health services, mobile crisis teams	700 clients served via outpt. svcs, 150 via MCT's per year	City General Fund
17. City of Berkeley Health and Human Services	2180 Milvia St Berkeley CA 94704	Emergency Shelter, Temporary Emergency shelter by Emergency Food Project, info. hotline via Berkeley Info. network (415)540-0666	See Emergency food project Other support services	City General Fund

COMPREHENSIVE HOMELESS ASSISTANCE PLAN

I. STATEMENT OF NEED

A. EMERGENCY SHELTER GRANT PROGRAM

Berkeley has a large and growing population of homeless people in need of emergency shelter. In 1986, Berkeley's homeless population was estimated at about 800 people. However, during 1987, a local homeless service project served free meals to 2,026 different homeless or "at risk" people. The City's rotating shelter program served 1,640 different people between December 1986 and June 1987. It is now estimated that the population has swollen to between 1,600 and 2,000 people who are homeless during the year, although not necessarily at the same time.

At any given point in time, the City and local community agencies provide free shelter for an average of 100 people per night, and low cost shelter beds for another 120 people per night. Two separate Berkeley agencies each serve over 200 meals per day.

Berkeley's current shelter capacity of 213 emergency and 72 transitional beds is far less than the need. All of the shelters described in Part II of this document are operating at full capacity and are turning people away. Berkeley's homeless population is a diverse group of individuals and families, each with special needs. The current inventory of shelters does not adequately serve the needs of this population either in the type of shelter provided or the number of beds available.

The following statement from a June 1987 report by the Alameda County Task Force on Homelessness illustrates the magnitude of the unmet need for emergency shelters in both the County and, by inference, Berkeley (with approximately 20% of the County's homeless population):

"In a 1985 unduplicated count, the Emergency Services Network reported that 1,300 women, men and children sought emergency housing at one of the county's 17 shelter sites during a one week period; this number exceeds by four times the total emergency shelter beds available countywide at that time. Shelter providers estimate that, on average, 6,000 homeless people are turned away from Alameda County shelters and voucher programs each month."

These figures do not reflect those who live transiently in overcrowded conditions, in abandoned buildings, under freeways, in cars, in parks or on the streets. Estimates of homeless people who do not sleep in emergency shelters will not be available until 1990 U.S. Census information is made available, most likely in 1992.

Most of the existing stock of emergency shelters in the City were not designed as a primary resource for the general community, nor are they equipped to handle an increasingly diverse population of homeless persons. For instance, deinstitutionalized homeless persons could potentially be turned away from existing emergency shelters that are not equipped to provide the type and extent of specialized services that they require.

B. SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

1). EMERGENCY SHELTER

Emergency shelter is the first, and perhaps most critical, step to breaking the cycle of homelessness. It is crucial that the City expand its capacity to provide emergency shelter to meet the specific needs of different segments of the homeless population.

The City currently attempts to meet the demand for emergency shelter with the combined use of permanently available emergency shelters provided by City-contracted agencies, and a rotating shelter program that combines a City recreation center with a series of church properties to ensure the continuous provision of emergency shelter, with 190 total beds. In addition, the City is currently working with U.C. Berkeley on the new construction of an emergency shelter on Murray Street with the capacity for 80-100 beds. Over \$750,000 in funding for this project has been secured. The Berkeley City Council has approved an interim measure that will allow the basement of the City's Veterans Memorial Building to be used as an emergency shelter until construction of the new shelter is complete. This measure has become necessary as the agreement with the Churches for the use of their properties on a rotating basis is due to expire.

2). TRANSITIONAL HOUSING

In order to make the transition from emergency shelter to permanent housing, many homeless people require an extended stay in a stable, supportive environment. Such transitional housing can make the difference between reversal of homelessness and continuation of the cycle. Having a secure environment from which to learn independent living skills, seek and retain work, search for housing and take advantage of support services can greatly enhance a homeless person's chances for success.

There are currently six transitional facilities operated by City - contracted agencies, with an overall capacity for 72 people, including the recently opened Veterans Assistance Center transitional house on Ashby avenue (10 beds), and the newly rehabilitated Women's Refuge house on Byron street (10 beds). Plans are currently underway for the rehabilitation of an additional property for use as a 12-14 bed transitional house for veterans.

The City must establish more transitional houses to meet the needs of families, deinstitutionalized individuals, veterans, and employable homeless individuals who require the specialized supportive services that can be offered in a transitional housing environment. In Alameda

County, the majority (53%) of emergency shelter residents are single women with young children, constituting the main group in need of transitional housing.

3). PERMANENT HOUSING

While it has been difficult to prioritize permanent housing in the midst of such pressing needs for emergency shelter and transitional housing, the City is negotiating with the owners of two vacant residential hotels (with 71 units and 26 units respectively) for their acquisition and rehabilitation as permanent housing for the homeless.

The City of Berkeley is also currently working with a private developer to design and build a 200 room single-room occupancy residential hotel. A site at the corner of Durant and Fulton streets has been secured, designs are completed and the project has been approved and authorized.

The disabled homeless are an important sub-component of the overall homeless population. Based on data from five of Berkeley's largest service providers for the disabled, it is estimated that approximately 14.5% of the City's homeless population are physically and/or mentally disabled. The City has made special efforts to provide housing for the disabled in all City-sponsored housing developments, including seven out of 61 units allocated for the disabled in a scattered-site public housing development now completed and recently occupied, and the addition of a new disabled-access unit in the McKinley transitional house, completed with the use of Federal Emergency Shelter Grant funds. The City will place disabled-access requirements on the proposed developments mentioned, and attempt to provide a percentage of fully disabled-accessible units in new construction, wherever possible.

This does not negate the fact that the demand for permanent housing for the homeless far outweighs the current supply and must compete with the demand for housing at all income levels in a very tight housing market.

C. SUPPLEMENTAL ASSISTANCE PROGRAM

The magnitude of Berkeley's homeless population suggests that the City will need to apply for supplemental assistance under this program in order to fill gaps in funding not covered by other federal, state and local resources.

When the City or a service provider applies for state or federal funds to develop or operate facilities for the homeless, the available funding has quite often fallen far short of that needed to operate ongoing, comprehensive programs. In addition, local resources are essentially stretched to the limit in terms of the support that can be offered to fund service providers and shelter programs.

D. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS

As can be seen from the project previously outlined (which will not be using Section 8 assistance) Berkeley has already begun planning efforts to bring Single Room Occupancy units back into the housing stock as one means of serving the homeless and those in danger of becoming homeless, including the elderly and disabled.

As previously mentioned, there is a significant inventory of vacant, single room occupancy units in the city in need of rehabilitation. Given the extremely low rents that must be charged in order to make these units affordable to the target population, a substantial amount of subsidy is required. Section 8 assistance will prove invaluable in assisting the City, the Housing Authority, and non-profit developers in making these units available and affordable to very low income households.

II. INVENTORY OF EXISTING FACILITIES AND SERVICES

The City and local non-profit service providers currently operate two emergency shelter facilities for families with children, two emergency shelters for the general homeless population, a rotating emergency shelter program providing temporary shelter, and six transitional housing facilities. In addition to shelter facilities, a number of services are provided through the City, community agencies, local churches and merchants. These facilities and services are outlined on the following page.

HOMELESS SERVICES
JULY - SEPTEMBER, 1969

CLIENTS SERVED:	BERKELEY EMERGENCY FOOD PROJECT						BOSS	WOMEN'S	ECHO	CMH
	TOTAL	PERCENT	SHELTER	EXIT	MEALS	DROP-IN	CENTER	REFUGE	SHARE	DROP-IN
TOTAL	1229	100.00%	159	36	403	18	279	29	39	275
WHITE	377	30.68%	32	18	184	9	59	0	20	55
BLACK	738	60.05%	106	18	166	9	193	24	18	204
HISPANIC	43	3.50%	9	0	12	0	15	0	0	7
ASIAN/PACIFIC	15	1.22%	0	0	8	0	5	0	1	1
AMERICAN INDIAN	16	1.30%	0	0	6	0	6	3	0	1
FILIPINO	0	0.00%	0	0	0	0	0	0	0	0
OTHER	40	3.25%	3	0	27	0	1	2	0	7
PERSONS 65 AND OVER	14	1.14%	1	0	7	0	3	0	3	0
FEMALE HEAD OF HOUSEHOLD	76	6.18%	0	0	0	0	23	11	5	37
UNEMPLOYED	1052	85.60%	125	36	367	18	209	0	25	272
AFDC	135	10.98%	39	0	11	0	26	29	4	26
SSI/SSP	156	12.69%	21	0	31	0	34	0	7	63
GENERAL ASSISTANCE	127	10.33%	16	0	32	0	34	0	4	41
DISABLED	446	36.29%	36	0	78	0	54	0	7	271
VIETNAM VETERANS	121	9.85%	7	0	39	0	35	0	0	40
DISPLACED WORKERS	223	18.14%	0	0	187	0	36	0	0	0

HOMELESS SERVICES
OCTOBER-DECEMBER, 1989

CLIENTS SERVED:	BERKELEY EMERGENCY FOOD PROJECT						BOSS	WOMEN'S	ECHO	CMH	SBCC
	TOTAL	PERCENT	SHELTER	EXIT	MEALS	DROP-IN	CENTER	REFUGE	SHARE	DROP-IN	MEALS
TOTAL	1053	100.00%	81	36	346	18	302	18	26	95	131
WHITE	358	34.00%	36	14	165	9	75	5	8	23	23
BLACK	614	58.31%	36	19	128	9	218	13	12	66	113
HISPANIC	31	2.94%	8	3	12	0	6	0	1	1	0
ASIAN/PACIFIC	8	0.76%	0	0	3	0	0	0	5	0	0
AMERICAN INDIAN	14	1.33%	0	0	10	0	2	0	0	2	0
FILIPINO	2	0.19%	0	0	0	0	0	0	0	2	0
OTHER	32	3.04%	1	0	28	0	1	0	0	0	2
PERSONS 65 AND OVER	4	0.38%	2	0	1	0	0	0	1	0	0
FEMALE HEAD OF HOUSEHOLD	75	7.12%	0	0	0	0	30	6	0	11	28
UNEMPLOYED	817	77.59%	59	35	301	18	178	0	11	92	123
AFDC	138	13.11%	11	0	6	0	38	16	2	10	55
SSI/SSP	155	14.72%	15	8	46	0	35	0	6	26	19
GENERAL ASSISTANCE	176	16.71%	6	3	24	0	36	0	3	9	95
DISABLED	305	28.96%	21	12	84	0	63	0	5	95	25
VIETNAM VETERANS	113	10.73%	3	4	41	0	30	0	0	9	26
DISPLACED WORKERS	107	10.16%	0	0	74	0	33	0	0	0	0

PART II

MARKET & INVENTORY CONDITIONS

Part II Market and Inventory Conditions

A. Introduction

In order to determine housing needs basic data is needed about population, households, income, and housing costs. In terms of population The charts below indicate the estimated population Berkeley will continue to be stable in the next five years. Housing assistance is generally targeted to lower income units, Berkeley uses the income figures provided by HUD for the Alameda and Contra Costa counties (the Primary Metropolitan Strategic Area (PMSA) for determining what income categories of the various households. These categories are defined by the U.S. Department of Housing and Urban Development according to a formula which starts with the median income of a family of four and makes adjustments based on household size. In a general way "very low-income" means up to 50% of median family income, "low-income" is 50-80% of median, "moderate-income" is 80-120% of median (what is normally called middle income) and "above moderate-income" is over 120% of median. (HUD actually uses figures slightly above 50% of median to define very low-income for the purposes of Section 8 program eligibility because this is a high housing-cost area.). Berkeley

Chart C indicates the maximum affordable monthly housing costs for the different income groups. Those figures are based on federal 30% of income standard and include utility costs as well as contract rent or ownership costs.¹ For most purposes the City of Berkeley follows the federal guideline, but redevelopment projects are governed by the state guideline. However, the percentage of income that households can truly afford to spend for housing without giving up other necessities of life is clearly not as great for lower-income people as it is for higher income people. The 30% of income standard is up from a 20% of income standard that the federal government used in the 1960s, and which probably more accurately reflects an affordable rent for a very low-income household. Nationwide the average household paid 22% of income for shelter and utilities including heating in 1988, according to the U.S. Department of Labor's Consumer Expenditure Survey.

1990 Maximum Affordable Monthly Housing Costs, Oakland PMSA

Size of Household	1 Person	2 Person	3 Person	4 Person	5 Person
100 % Median Income	\$770	\$880	\$990	\$1,100	\$1,170
80% Median Income	\$615	\$705	\$790	\$880	\$935
50% Median Income	\$390	\$444	\$500	\$555	\$600

¹ Defining when housing is affordable to which income group is complex because the State of California defines "overpaying" as a lower-income household that pays more than 25% of income for housing, while the federal government now sets 30% as the threshold for overpaying, up from 20% in the 1960s.

Berkeley Population and Housing Estimates, 1988-1995

	1988	1990	1995
Population	106,800	105,900	104,700
Population in			
Group Quarters	11,100	11,200	11,900
Population in			
Households	95,700	94,700	92,800
Households	45,400	45,510	46,250
Persons per			
Household	2.11	2.07	2.01

Sources: California Dept. of Finance; ABAG, Projections '90

1990 HUD Income Categories, Oakland PMSA (Alameda & Contra Costa Counties)

Size of Household	1 Person	2 Person	3 Person	4 Person	5 Person
Median Family Income				\$44,100	
Lower Income	\$24,700	\$28,250	\$31,750	\$35,300	\$37,500
Very Low Income	\$15,750	\$18,000	\$20,250	\$22,250	\$24,300

Source: U.S. Dept. of Housing & Urban Development, 1990

Affordability Goals for New Units in Berkeley, 1988-95

Income Distribution, 1980	Very Low	Low	Moderate	Above Mod.
Bay Area	23%	16%	21%	40%
Alameda County	28%	7%	20%	35%
Berkeley	40%	18%	17%	25%
Berkeley Need				
Distribution (%)	30%	7%	19%	34%
Berkeley Need				
by # of Units	514	291	326	583

Source: ABAG, Housing Needs Determinations, 1989

8, New Housing Needs

Housing need has several aspects: first, adequacy of supply; second, affordability; and third, how suitable a home is for a particular type of household. The needed supply is determined by the Association of Bay Area Governments (ABAG) in a State-mandated regional process. ABAG determines need based on three factors. They estimate existing need based on vacancy rate, they project likely household growth, and they add an additional factor to improve jobs-housing balance in cities where the number of jobs is expected to grow more rapidly than the number of employed residents. The ChartA below gives figures related to Berkeley's expected jobs/housing balance. Chart B, ABAG's new housing figures for Berkeley. As can be seen, Berkeley is asked to produce a total of 1,714 units. Of these 514 are supposed to be affordable to very low income households (below 50% of median), 291 to low income households (50-80% of median), 326 to moderate income households (80-120% of median, ie. middle income), and 583 to households with incomes above moderate. So far 160 units have been added in 1988 and another 380 units have been approved. In addition the University has approved the equivalent of 427 units of new student housing (854 new beds with two beds equal to one unit). The remaining need will be 747 units from 1990-95, or 150 units a year. There is provision for the additional units in Downtown, the Telegraph, North Shattuck and South Area mixed-use commercial districts and parts of West Berkeley.

Berkeley's Jobs/Housing Balance

Year	1970	1980	1990	1995	2005
Population	114,091	103,328	106,500	104,000	102,500
Employment	51,382	59,772	63,300	66,400	68,900
Employed Residents	50,562	51,251	58,500	58,300	57,500
Jobs/Housing Ratio	1.02	1.17	1.08	1.14	1.20
Change in Employment		8,390	3,500	3,100	2,500
Change in Employed Residents		689	7,250	(-200)	(-800)
Net Jobs Surplus		7,701	(-3,750)	3,300	3,300

Source: ABAG, U.S. Census

Affordability Goals for New Units in Berkeley, 1988-95

Income Distribution, 1980	Very Low	Low	Moderate	Above Mod.
Bay Area	23%	16%	21%	40%
Alameda County	28%	7%	20%	35%
Berkeley	40%	18%	17%	25%
Berkeley Need				
Distribution (%)	30%	7%	19%	34%
Berkeley Need				
by # of Units	514	291	326	583

Source: ABAG, Housing Needs Determinations, 1989

C. Affordability Problems

Berkeley is in the center of a region in which housing costs are increasing more rapidly than incomes. According to ABAG this results from a regional growth pattern in which jobs are created more rapidly than new housing, and high and low income jobs are increasing more rapidly than middle income jobs. The result is severe pressure on the budgets of many Bay Area residents, especially those that rent or have only recently bought homes. The Federal Home Loan Bank reported a 1.5 percent vacancy rate for both single and multi-family housing in Berkeley in 1988, reflecting intense competition for housing.

The Bay Area as a whole is a relatively high income area, with an average (mean) household income of \$46,200 in 1990, according to ABAG's "Projections '90". The Alameda County average is substantially lower, at \$40,100. Berkeley's mean household income is only \$34,200, but the difference between Berkeley and Alameda County is entirely accounted for by the smaller average size of Berkeley households. Nonetheless, the 1989 BAE household survey indicates Berkeley's households are 29% very low-income, 13% low income, 19% moderate and 39% above moderate income. ABAG reports that in 1980, using the State 25% of income standard, 73% of low-income renters (20,309 households) and 38% of low-income homeowners (5,234 households) were overpaying for housing. 1,400 mostly low-income households, all but 300 of them tenants, were overcrowded as well.

Berkeley and the Bay Area: 1980-1988

	CPI	Income	Renter Income	Rent	Home Prices
Bay Area Increase	50%	71%		96%	96%
Berkeley Increase		80%	50%	55%	142%

Sources: ABAG, BLS, RRCNC

1. Homeownership

Home prices in Berkeley have increased substantially faster than in the East Bay as a whole. By 1988 the average value in the Berkeley area sample of detached houses tracked by the Real Estate Research Council of Northern California was \$250,000. This is affordable to families making over \$66,000 annually and having at least \$55,000 for a downpayment and closing costs. Only 10 percent of Berkeley households have such an income. Some small fixer-upper houses and shared ownership and condominium apartments are still sold for around \$100,000, which is affordable to households making \$32,000 and using an FHA loan with a five percent downpayment. About one quarter of Berkeley's renters can afford homes at this price. Among Berkeley's homeowners 37 percent are paying over 30 percent of income for mortgage payments, taxes and insurance.

The housing market in Berkeley has responded to the demand for ownership housing affordable to moderate (ie. middle) income households by converting a substantial number of one and two units buildings from rental to owner-occupancy. The Bay Area Economics 1989 survey of Berkeley households indicates that about 16 percent of 1980 rental housing, about 4,500 units, have converted to owner-occupancy, with 80 percent of this change occurring in single-family houses and duplexes. In 1980 single family and duplex housing units made up 29 percent of the total rental housing stock, but nearly half of this has now been converted to owner-occupancy. About 48 percent of Berkeley households are now owner-occupants, up from 38 percent in 1980.

Shift from Rental to Owner-Occupancy

	1980		1988	
	Occupied Units		Occupied Units	
	Percent	Number	Percent	Number
Rent	62%	27,821	52%	23,600
Own	38%	16,883	48%	21,700
Total	100%	44,704	100%	45,300

Sources: 1980 Census, BAE 1989 household survey, PPMB

Subdivision of rental property is restricted by a City moratorium on further conversions to condominiums, stock cooperatives and community apartments, with an exception for limited-equity cooperatives. A close equivalent to the community apartment can be created through tenancy in common (TIC) ownership, in which owners share undivided interests in the property and make agreements among themselves about who will occupy which unit and how mutual responsibilities and decision-making will be handled. During the 1980s about 1,000 units of controlled rental housing were converted to owner-occupancy by this means. In responding to the desire for moderate-income affordable homeownership, TICs fill in the middle of the city's bifurcating income range. However, TICs also reduce the stock of low-income affordable rental housing.

With the pool of single-family and duplex rentals seriously reduced, there will likely be increased pressure for conversion of units in larger buildings. Thus there is additional reason to believe that tenancy-in-common (TIC) conversion will grow in the coming years. The BAE data suggest that as many as 15 percent of units in three and four unit buildings have already been converted to owner-occupancy, largely through the use of tenancy-in-common (TIC) ownership.

1980-1989 Conversions from Rental to Owner-Occupancy

Units in Building	Estimated Percent of Conversions	Total # Conversions	Total Rental Units 1980	Percent Total Rentals	Percent Total Converted
One	53%	2,400	4,700	17%	51%
Two	27%	1,200	3,200	12%	38%
3-4	15%	700	4,800	17%	15%
5+	5%	200	14,900	54%	1%
All	100%	4,500	27,600	100%	16%

Note: The Census total in the above table is slightly lower than the city-wide rental total stated earlier because of non-responses. In this sub-sample of the BAE 1989 survey the range of potential error is on the order of plus or minus ten percent, rather than the plus or minus three percent for the survey as a whole. The results of this analysis must be taken as suggestive, not definitive.

In the 1989 BAE household survey, of the owners reporting that the unit was formerly a rental, 25 percent report that they bought the unit they once rented and 75 percent that other renters had lived there. This suggests that about 1,100 units have been bought by their tenants during the 1980s out of 4,500 removed from the rental market. Nearly 60 percent of the owners of units converted from

rental to owner-occupancy previously lived in Berkeley. Of those owners who replaced other renters, 45 percent previously lived in Berkeley, 20 percent in Oakland, 30 percent in other parts of the Bay Area and 5 percent outside the Bay Area.

The median income of tenant buyers is currently \$42,000 a year, while for buyers who replaced other tenants it is \$49,000. These are not the incomes of these households at the time of purchase. Purchase prices are also moderately lower for tenant buyers than for buyers who replace tenants.

		1980-89 Purchases		
		Median Price	Range (25-75%ile)	Med. Monthly Mortgage Pmt. Range (25-75%ile)
Owners Are the Previous Tenants		\$115,000	\$75-150,000	\$740 \$570-\$1100
Owners Replaced Previous Tenants		\$138,000	\$110-190,000	\$1,000 \$700-\$1300

2. Rentals

In 1988 the median income for a family of four in the Oakland area was \$40,100 and HUD considered a four person household making under \$21,700 to be very low-income and under \$32,100 to be low-income. A one person household making under \$15,200 was considered very low-income and under \$22,450 as low-income. The Bay Area Economics survey found a mean household income of \$20,500 among Berkeley tenants in rent controlled apartments. Crosstabulating incomes by household size allows us to determine the HUD income categories for each household. As is shown in the table below, about half of tenants in rent controlled units are very low-income and more than two-thirds are either low- or very low-income.

Income Categories of Tenants in Controlled Units

Very Low (under 50% median)	48%
Low (50-80% median)	21%
Moderate (80-120% median)	19%
Above Moderate (over 120% median)	12%

Total • 100%

Source: Bay Area Economics, 1988 tenant survey

An initial City analysis of proposed changes indicate that if proposed rent increases are actually implemented , two-thirds of the City's very low income population will be paying over 50% of their income for rent. These households will be pushed into living into overcrowded conditions, moving out of Berkeley (this is not too likely since rents are as high or higher in near-by communities) or becoming homeless.

In the Oakland Area the median advertised rent for a two-bedroom apartment was \$605 in October 1989. The low-end advertised two-bedroom rent, a measure of the lowest rents readily available, was \$490. This is affordable to households making over \$19,600 a year at the thirty percent of income standard. In Berkeley the 1988 average household income among tenants was \$20,500 and the median income only \$17,300. For households with three or more people the median income was \$19,900, which means that only half of Berkeley households needing a two bedroom apartment could afford even the least expensive market rate units without assistance.

The Berkeley 1988 median two-bedroom rental in a controlled unit was \$427, well below the lowest available market rate and affordable to the median Berkeley household of three at the Federal 30 percent of income standard, although not at the State 25 percent of income standard.

The BAE 1988 survey of rent controlled units found that overall 35 percent of these tenant households were overpaying, while the BAE 1989 survey of all Berkeley households found 41 percent of Berkeley tenants overpaying. These results are within the range of error for a survey of this size and in either case are lower than the 1980 Census, which reported 50 percent of all Berkeley tenants overpaying. This suggests that rent control has been successful in reducing overpayment for rent.

There is reason for concern about the tenant households still reported paying more than 30 percent of their incomes for rent. Low-income, non-student households paying over thirty percent of income for rent constitute an at risk population for homelessness should income decrease further or rents increase. Using the lower figure of 35 percent rent burdened tenant households, and taking out the 23 percent of such households made up entirely of full time students, this would project out to 5,400 rent burdened non-student households city-wide. At risk are at least 1250 households with children, 800 couples without children and 3350 households of single adults living either alone or in shared housing.

Overpaying households are typically among those with very low incomes. Fully 28 percent of Berkeley's tenant households in controlled units make less than \$10,000 a year and 92 percent of them overpay for rent. Another 27 percent of tenant households make between \$10,000 and \$20,000 and half of them are overpaying as well.

Larger low-income households typically have higher rent burdens because they require larger units, yet do not have substantially higher incomes than small households. One quarter of Berkeley's two person and three person households have incomes under \$10,000 and so do 23 percent of its four or more person households.

	Persons in Household				
	One	Two	Three	Four +	All
Percent					
Overpaying	31%	37%	52%	40%	35%

Over half of tenant households where the respondent was over the age of 65 were overpaying, and more than half of the households made up of a single mother with children. Rent burdened households are also more likely to be racial minorities, including 43 percent of Asians, 39 percent of Blacks and 34 percent of Whites.

Table: Average Rents vs. Welfare Payments, 1988

Size of Unit	Controlled (Median)	Section 8 (Mean)	Welfare Payments
Studio	\$265	\$362	\$326 (1 person)
1 BR	\$324	\$438	\$535 (2 people)
2 BR	\$427	\$529	\$663-788 (3-4 people)
3 BR	\$600	\$712	\$899-1,010 (5-6 people)
4 BR	\$877	\$782	\$1,109-209 (7-8 people)
5+ BR	\$942	\$1,013	\$1,306-403 (9-10+ people)

Source: Housing Authority, Rent Board

(Note: Under Section 8 the tenant pays 30% of adjusted income, the Housing Authority pays the rest.)

Many very low-income people cannot even afford typical controlled rents, let alone market-rate housing, as is illustrated by the table above comparing welfare payments with controlled and Section 8 rents.

The Section 8 rent subsidy program now serves over 1,700 very low-income households -- about 1300 families, many of them single parents with children, and 400 elderly households. Under Section 8 tenants pay no more than 30 percent of their adjusted income for rent. Without this subsidy even a controlled unit would cost more than half of their income. The results of the BAE survey suggest that the program would have to be at least doubled just to reach all the Berkeley households with children who need rental assistance. The number of available certificates will increase only slowly due to the

limited federal resources devoted to housing. The Housing Authority has 1,300 households on its waiting list and an additional 11,000 people waiting to be notified when the waiting list is opened up.

An initial City analysis of proposed changes indicate that if proposed rent increases are actually implemented, two-thirds of the City's very low income population will be paying over 50% of their income for rent.

A particular nationwide concern is the preservation of subsidized low-income housing in buildings whose owners may choose to convert them to full market rents as 20 year use restrictions expire. These units are at risk whenever there is private for-profit ownership and there are no permanent rent controls to keep rents from increasing after the restrictions expire. Berkeley is fortunate in this regard. Of 967 units of subsidized housing built in Berkeley, 883 are held in some form of non-profit ownership -- by the Housing Authority, limited-equity cooperatives and non-profit corporations. Only Allston House with 48 units and Melrose Apartments with 36 units are held by private owners. They have indicated no interest in converting the projects, nor could they substantially raise rents, since the buildings were built prior to 1980 and are thus covered by the City's rent stabilization ordinance, which controls rents even upon vacancy.

E. Maintenance of Existing Supply

Physical maintenance of the rental housing stock is a widely expressed concern. Half of the city's housing was built before 1940, and many of the apartment buildings constructed later are poorly built and difficult to maintain. The single-family detached owner-occupied housing is in generally good condition, as values have increased dramatically. In the 1987-88 fiscal year the City issued 2,800 permits for improvements in residential buildings and the City is granting approximately 140 permits annually for additions of bedrooms and other livable space, primarily to single-family homes. Nonetheless, about 13 percent of Berkeley's owner-occupied units are owned by very-low income residents, many of them elderly, who may have difficulty affording adequate maintenance.

The City has recently identified 390 residential buildings with 3,900 units as potentially hazardous in case of a severe earthquake. Since the Hayward fault, which runs through the Berkeley hills, is assigned a 30% likelihood of a major earthquake in the next thirty years, the City is considering an ordinance which requires an engineering evaluation of each hazardous building within the next two years and requires upgrading in the next six years. How to reconcile the need for safety with the need to preserve affordability is an unresolved problem.

The Bay Area Economics tenant survey found that 16 percent of residents in rent controlled apartments surveyed reported their building was in poor condition. Fully 80 percent reported at least one maintenance problem, including problems with heat (22%), plumbing (41%), roofs (21%), paint

(48%) or security/lighting (32%). The City currently receives about 850 complaints annually, of which 350 lead to the discovery of serious (A or B) code violations which create unsafe conditions. Virtually all of these are B violations in rental housing. There are 5,545 multi-unit (2+) structures in Berkeley, so units in about six percent annually are found to have violations and brought up to code. The relative scarcity of the most serious violations and City policies that make demolition almost impossible if any alternatives exist mean that existing housing is renovated rather than replaced, with only about six units demolished annually.

There is a technical problem in those cases where, due to poor initial construction or severe deterioration, it would be more economical to demolish and replace a building than to repair it. Many areas have been downzoned so that once demolished the units could not be replaced. A modification in the zoning ordinance may need to be considered to allow replacement of all units. In addition, there are an unknown number of illegal second units in the city, and efforts need to be made to bring them up to code so that they are safe to live in, but without displacing tenants and reducing this relatively low-cost housing supply.

Bay Area Economics estimated that ten percent of all rent stabilized units had rents which were potentially below the break-even point in 1980 if the building had been recently mortgaged at full market value. Sixty-two percent of these units, 1,200, are in buildings in which half or more of all units are potentially below break-even. These units are at risk of undermaintenance. The Rent Board gives individual rent adjustments (IRAs) for units where rents are set too low for adequate maintenance. Owners have argued that the IRA process is too cumbersome, and the Rent Stabilization Board is currently holding hearings on proposals to raise the rents of historically low rent units on an expedited basis. The dilemma here is that the areas with the greatest maintenance problems are also those in which the most tenants are low income. Thus these units often have very low-income tenants who cannot afford increased rents.

The rise of violent crime associated with drugs has created severe maintenance problems in some buildings, and some owners reportedly leave units vacant to avoid any possibility of renting to drug users. The extent of such problems is not known. Landlords may properly evict tenants who abuse property or engage in illegal activities. At the same time, this simply sends problem tenants and their families elsewhere or onto the streets.

Vacant buildings are the most severe manifestation of failure to maintain the housing stock. At present there are approximately 50 vacant buildings, mostly single-family. There are less than 100 units in vacant buildings other than those in three vacant SRO hotels. These are the fire-damaged 74 room Berkeley Inn, the 78 room earthquake-damaged UC Hotel and the 20 room Stark Hotel, held vacant by its owner. Most other vacant buildings are scattered, reflect individual problems of the owners and come back on to the market as these problems are resolved.

The data is insufficient, at this point, to be able to adequately document the condition and trend of maintenance in Berkeley's controlled rental housing stock.

Population and Minority Data

Comprehensive Housing Affordability Strategy (CHAS)

Name of Jurisdiction(s) or Consortium:

City of Berkeley

DRAFT

Five Year Period: (enter fiscal yrs.)

FY: through FY:

Category	1980 Census Data (A)	1990 Census Data or Current Estimate (B)
1. Total Population	103,328	102,724
2. White (Non-Hispanic)	69,159	63,833
3. Black (Non-Hispanic)	20,671	19,281
4. Hispanic (All races)	5,177	8,589
5. Native American	398	628
6. Asian and Pacific Islanders	10,311	15,178
7. Group Quarters	9,995	11,282
8. Institutional	671	460
9. Non-Institutional	9,324	10,822
10. Household Population	57,974	56,132

DRAFT

Market and Inventory Conditions
Housing Stock Inventory

Comprehensive Housing Affordability Strategy (CHAS)

Name of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period: (enter fiscal yrs.)

FY: through FY:

DRAFT

Check one:

☐ 19__ Census☐ Current Estimate as of: (enter date)
Housing Stock 1988

Category	Total (A)	0 or 1 bedrooms (B)	2 bedrooms (C)	3 or more bedrooms (D)
1. Total Year-Round Housing	46,334			
2. Total Occupied Units	45,980			
3. Renter Occupied Units	28,980			
4. Standard	17,267			
5. Substandard	11,230			
6. Suitable for Rehab	11,230			
7. Owner Occupied Units	17,483			
8. Standard	10,593			
9. Substandard	6,890			
10. Suitable for Rehab	6,890			
11. Total Vacant Units	354			
12. For Rent	230			
13. Standard	139			
14. Substandard	91			
15. Suitable for Rehab	73			
16. For Sale	309*			
17. Standard				
18. Substandard				
19. Suitable for Rehab				
20. Awaiting Occupancy or Held				
21. Other				

*from 1990 Census

RAFT

Registered Housing Inventory

Comprehensive Housing Affordability Strategy (CHAS)

of Jurisdiction(s) or Consortium:

City of Berkeley

Five Year Period: (enter fiscal yrs.)

FY: through FY:

Current Estimate as of: (enter date)
1989 Housing Element

DRA

Category	Total Stock and Inventory				
	Total (A)	SRO (B)	0 or 1 bedrooms (C)	2 bedrooms (D)	3 or more bedrooms (E)
1. Project Based Tenant Assistance					
2. Public Housing	75	0	0	0	75
3. Section 202 ✓	469 *	0	467	0	2
4. Section 8	99	0	55	23	21
5. Other HUD Sec 236, 221, 213	322 **	0	241	61	20
6. FmHA	0	0	0	0	0
7. Tenant Based Tenant Assistance					
8. Section 8	1663	0	465	878	320
9. Other State/Local					
10. Homeowner Assistance					

* Of these 469, 90 units were jointly subsidized by Sec 236

** Of these 322, 90 were jointly subsidized by Section 202; 93 by Proj. based Sec

DRA

FIGURE 1: SUBMARKET AREA MAP

Source: Bay Area Economics

Submarket Area Boundary 

- 1 - Hills
- 2 - North/Central Berkeley
- 3 - Campus/Downtown
- 4 - West Berkeley
- 5 - South Berkeley



DRA

Househ

Ethnic/Race Distribution

	One	Two	Three	Four	Five	Citywide *
White	85.5%	67.0%	68.7%	44.8%	48.0%	66.8%
Black	2.1%	12.4%	2.9%	30.2%	36.2%	13.3%
Hispanic	3.8%	4.6%	3.0%	12.9%	3.4%	4.4%
Asian	6.2%	10.6%	21.8%	9.2%	6.9%	11.5%
Native American	0.4%	0.4%	1.1%	0.3%	1.8%	0.9%
Other	2.1%	5.0%	2.4%	2.7%	3.7%	3.2%
Total by Area	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* Citywide average is a weighted mean based on population per submarket area.

Population estimates are based on the total units per area (city figure)
times the average household size in each area (from survey).

Source: Bay Area Economics, 1989

INVENTORY OF LOW INCOME RENTAL UNITS SUBJECT TO SUBSIDY TERMINATION
(1988-2008)

APPENDIX

<u>PROJECT NAME AND ADDRESS</u>	<u>NUMBER OF UNITS</u>	<u>SUBSIDY PROGRAM</u>	<u>EARLIEST DATE OF SUBSIDY TERMINATION</u>	<u>NAME OF OWNER</u>	<u>OWNERSHIP TYPE TYPE</u>
o Allston House 2121 Seventh St.	48	Sec. 236	October 20, 1986	Ronald Hulme	For-profit
o Harriet Tubman 2870 Adeline	91	Sec. 236	July 31, 1991	American Singer	Non-profit
o Lawrence Moore Manor 1909 Cedar Street	45	Sec. 236/ Sec. 202	August 20, 1991	Satellite Senior Homes	Non-profit
o Melrose Apartments 1617 Russell Street	36	Sec. 221(d)(3)	May 26, 1991	Albert Lew	For-profit
o Strawberry Creek Lodge 1320 Addison Street	148	Sec. 202	March 2, 2004	Strawberry Creek Foundation	Non-profit
o Savo Island Coop 2017 Stewart Street	57	Sec. 213/ Sec. 8	November 30, 1989	Savo Island Coop	Non-profit (Limited Equity Cooperative)
o Amistad House 2050 Delaware Street	60	Sec. 202/ Sec. 8	August 6, 2001	Berkeley Pilgrimage Foundation	Non-profit
o Bonita House 1910-12 Hearst Avenue	12	Sec. 202/ Sec. 8	March 16, 2003	Bonita House, Inc.	Non-profit
o Oceanview Homes 813 Delaware Street	62	CHFA	November 26, 2003	E&I Development Association	For-profit (on City- owned land)
o Redwood Gardens 2951 Derby Street	169	Sec. 202/ Sec. 8	April 10, 2007	Cooperative Servcs. Inc. Derby Street	Non-profit (Limited Equity Cooperative)

SOURCE: CALIFORNIA COALITION FOR RURAL HOUSING PROJECT; SENATE OFFICE OF RESEARCH; AND H.U.D.

Ref: loinchsg.oag/Cncl.reps.etc.

HOMELESS SERVICES
JANUARY - DECEMBER, 1989

CLIENTS SERVED:	TOTAL	PERCENT	JAN-MAR	APR-JUNE	JUL-SEPT	OCT-DEC
			1989	1989	1989	1989
TOTAL	5200	100.00%	1615	1303	1229	1053
WHITE	1787	34.37%	589	463	377	358
BLACK	2981	57.33%	918	711	738	614
HISPANIC	150	2.88%	38	38	43	31
ASIAN/PACIFIC	50	0.96%	16	11	15	8
AMERICAN INDIAN	76	1.46%	17	29	16	14
FILIPINO	2	0.04%	0	0	0	2
OTHER	154	2.96%	37	45	40	32
PERSONS 65 AND OVER	32	0.62%	7	7	14	4
FEMALE HEAD OF HOUSEHOLD	257	4.94%	41	65	76	75
UNEMPLOYED	4351	83.67%	1378	1104	1052	817
AFDC	451	8.67%	95	83	135	138
SSI/SSP	704	13.54%	213	180	156	155
GENERAL ASSISTANCE	618	11.88%	166	149	127	176
DISABLED	1492	28.69%	365	376	446	305
VIETNAM VETERANS	591	11.37%	189	168	121	113
DISPLACED WORKERS	626	12.04%	147	149	223	107
TOTAL			31.06%	25.06%	23.63%	20.25%
WHITE			11.33%	8.90%	7.25%	6.88%
BLACK			17.65%	13.67%	14.19%	11.81%
HISPANIC			0.73%	0.73%	0.83%	0.60%
ASIAN/PACIFIC			0.31%	0.21%	0.29%	0.15%
AMERICAN INDIAN			0.33%	0.56%	0.31%	0.27%
FILIPINO			0.00%	0.00%	0.00%	0.04%
OTHER			0.71%	0.87%	0.77%	0.62%
PERSONS 65 AND OVER			0.13%	0.13%	0.27%	0.08%
FEMALE HEAD OF HOUSEHOLD			0.79%	1.25%	1.46%	1.44%
UNEMPLOYED			26.50%	21.23%	20.23%	15.71%
AFDC			1.83%	1.60%	2.60%	2.65%
SSI/SSP			4.10%	3.46%	3.00%	2.98%
GENERAL ASSISTANCE			3.19%	2.87%	2.44%	3.38%
DISABLED			7.02%	7.23%	8.58%	5.87%
VIETNAM VETERANS			3.63%	3.23%	2.33%	2.17%
DISPLACED WORKERS			2.83%	2.87%	4.29%	2.06%

PART III

FIVE YEAR STRATEGY

FIVE YEAR STRATEGY

I. Summary of Goals and Policies and Five-Year Focus

In the previous sections we have seen that homelessness, housing affordability, maintenance of the City's housing stock, loss of rental units, and new homeownership are the biggest housing problems facing the City of Berkeley. Below is a summary of the City's Housing Element goals and policies for the next five years to help deal with those problems followed by a discussion of what programs will be used to help achieve those goals and policies.

Summary of Goals and Policies

Goal 1 Housing Affordability

- Policy 1.10 Review program standards
- Policy 1.11 Coordinate private and public actions
- Policy 1.12 Support policies which insure maximum flow of housing assistance
- Policy 1.13 Seek reasonable rate financing for low and moderate income housing
- Policy 1.14 Prioritize housing programs to maintain population diversity
- Policy 1.15 Encourage a mix of income ranges in new housing developments
- Policy 1.16 Support actions that increase long-term affordable housing
- Policy 1.17 Protect tenants from large rent increases and unjust evictions
- Policy 1.18 Educate and protect renters in exercise of their rights.
- Policy 1.19 As a first priority, maintain and expand supply of rental units
- Policy 1.20 Encourage the non-profit sector to create/maintain long-term affordable housing
- Policy 1.21 Support activities that will expand home ownership opportunities
- Policy 1.22 Increase the number of low and moderate income households receiving housing assistance
- Policy 1.23 Avoid displacement due to government action
- Policy 1.24 Minimize hardship resulting from temporary relocation due to government or private action
- Policy 1.25 Integrate energy conservation measures in housing programs

Goal 2 Maintenance of Existing Housing

- Policy 2.10 Institute voluntary housing rehab programs
- Policy 2.11 Coordinate flexible code enforcement program
- Policy 2.12 Prevent housing loss because of demolition, conversion, or vacancy
- Policy 2.13 Undertake activities to reduce damages that can be caused by earthquakes
- Policy 2.14 Encourage shared housing and second units
- Policy 2.15 Encourage preservation of landmark buildings
- Policy 2.16 Carry out programs consistent with historic preservation
- Policy 2.17 Preserve, improve, and expand residential hotel rooms and other single room occupancy (SRO) accommodations

- Policy 2.18 Improve the energy efficiency of existing housing
Policy 2.19 Encourage mutual self-help activities which further housing and community maintenance.

Goal 3 Expansion of the Housing Supply

- Policy 3.10 Encourage the development of low and moderate income housing
Policy 3.11 Employ state/federal programs to stimulate new low/moderate income housing
Policy 3.12 Stimulate developments which combine residential/commercial usage
Policy 3.13 Encourage new housing on vacant or suitable public land
Policy 3.14 Encourage replacement of housing lost through conversion, deterioration, or public action
Policy 3.15 Encourage conversion back to housing of residential buildings now used for other purposes
Policy 3.16 Facilitate creation of live/work units
Policy 3.17 Make more efficient use of existing residential properties

Goal 4 Special Needs

- Policy 4.10 Seek solutions to the problems of the homeless with the end goal of providing permanent housing
Policy 4.11 Support activities that provide affordable and suitable housing for single heads-of-households with children
Policy 4.12 Support activities which allow minorities, especially Black families to obtain and/or maintain housing in Berkeley
Policy 4.13 Support activities which allow elderly or disabled to remain in their home
Policy 4.14 Encourage adequate supply of housing for the elderly and disabled

Goal 5 Relationship with University and other Institutions

- Policy 5.10 Urge University to limit student enrollment to 29,450
Policy 5.11 Urge development of housing in accordance with City policy and regulations
Policy 5.12 Work with U.C. Berkeley to address housings issues of mutual concern
Policy 5.13 Support development that will not take land off tax rolls or seek compensation if it does
Policy 5.14 Support University-related housing that avoids displacement of existing residents
Policy 5.15 Support appropriately located and affordable student housing at the level contained in the University's Long Range Development Plan
Policy 5.16 Encourage the University to maintain residential buildings for housing
Policy 5.17 Urge the University to involve the community in its planning for University-related housing

Goal 6 Fair Housing

- Policy 6.10 Actively implement federal, state, and local fair housing laws
Policy 6.11 Allocate housing assistance on a non-discriminatory basis
Policy 6.12 Prevent "red-lining"
Policy 6.13 Inform the community about fair housing laws
Policy 6.14 Act to integrate the community by encouraging low and moderate income housing in all residential projects receiving government assistance

Goal 7 Regional Cooperation

- Policy 7.10 Cooperate regionally to increase and equitably distribute housing resources
- Policy 7.11 Promote the concept of regional "fair share" in eliminating housing problems
- Policy 7.12 Promote cooperation to achieve housing/jobs balance
- Policy 7.13 Endorse the "greenbelt concept"

Goal 8 Public Participation

- Policy 8.10 Encourage neighborhood residents and community organizations in planning
- Policy 8.11 Enlarge and strengthen the role of public participation mechanisms to make them more effective
- Policy 8.12 Use the public participation process to better understand community needs

Goal 9 Future Housing Element Revision

The Housing Element should be revised during the General Plan Revision

The driving force in the City's five year housing strategy is maintenance of its social/ethnic and economic diversity. This means that the primary focus of the City's housing programs will be on maintaining long-term affordability of housing and assisting low income households and those with special needs: i.e., those who are most at risk of either becoming homeless, paying too much for rent, or living in unhealthy conditions, or being forced to move from Berkeley. Priority will thus be given to:

(a) ensuring long-term affordability by promoting homeownership opportunities that are in the non-profit sector such as limited equity cooperatives or are owned by non-profits and have affordability requirements. Enact a tenants right-of-first refusal ordinance to facilitate private acquisition.

(b) increasing the number of very low income families (both large and small) receiving direct rental assistance through the Section 8 programs.

(c) Enacting programs to assist those with special needs, especially those at risk of homelessness. The City will pursue efforts to persuade the Rent Board to mitigate the effects of rent increases on low- income tenants (the City has filed a law suit against the Rent Board for failure to do an environmental assessment on Regulation 1280 which increases rents in "historically low-rent units"). In the event that substantial increases cannot be prevented, Council has directed the City Manager to explore potential programs to reduce displacement and homelessness. In terms of the City's existing homeless population, the City's assistance strategy is to support of the existing shelters; increase in transitional housing for those with special needs; continuing to integrate the other social services (counseling, job training,

substance abuse recovery) to those in homeless shelters and transitional housing, and concentrate on providing permanent housing to those who are homeless or are at risk at becoming so (such as SRO's).

(d) Develop a program for for voters' consideration restructuring the rent control system.

(e) Ensuring an adequate supply of] housing through rehabilitation of existing housing through: (i) low interest and deferred loans for rental property rehabilitation in exchange for affordability restrictions; (ii) rehabilitation assistance to very low income senior homeowners (iii) develop a program to return vacant units to use; (iv) implementation of the Seismic Safety Ordinance and participation in federal and state programs providing funds to make properties seismically safe; (v) reduce regulatory barriers to new housing construction and allow replacement of structures that are unsafe and cannot be economically rehabilitated.

(f) Targeting. In general, funds and programs will be targeted to South and West Berkeley because a larger portion of the population is lower income and a larger portion of the housing stock is substandard. This is also the area with a greater percentage of minority households and, therefore, population retention is a priority. However, the City will also use the principal of "fair share" when enacting new housing and homeless programs. The City will continue and enforce its present policy of avoiding displacement. Where possible, the City will use some of its programs to avoid increased concentration as well.

The City will use its Housing Trust Fund guidelines which ensure that the vast majority of beneficiaries are low income and that priority will be given to projects with a high leveraging ratio or which maintain long-term affordability for a large number of very low income households.

The City's current housing programs and activities will continue to be the backbone of Berkeley's housing efforts in the next five years. Those will be refined, expanded, or modified to protect affordability. However, new programs have already been approved or are being contemplated as well. How effective those programs will be is dependent on how much resources will be allocated to them.

II. Housing Programs

a. Direct Tenant Assistance Through Expansion of the Section 8 Program

Major effort will be placed on applying for additional tenant assistance through the Section 8 programs. The Berkeley Housing Authority (BHA) plans to apply for a minimum of 500 additional Section 8 subsidies if requests are being accepted by HUD. The BHA will focus on ensuring that the federal "portability" provision does not negatively effect the existing allocation and operate

the Section 8 program. Strengthening the BHA will allow it to compete effectively when new Section 8 become available and to undertake additional housing programs. Use the Section 8 programs to provide housing for both small and large families with children and other households with special needs. The BHA will continue to operate its public housing units as low income units but will develop a public housing tenants association to allow tenants greater input and feedback about management of public housing properties.

b. Raising Local Revenues and Enacting new Programs to Address New Affordability Threat

Recognizing dwindling federal and state resources, The City also plans to raise revenues and enact new programs to deal with the new threats to housing affordability for the City's very low and low income population (especially those with special needs who are most at risk). This latter strategy is particularly crucial in view of increased rental prices expected from the loosening of the rent control restrictions. The City intends to increase the amount of General Funds it allocates to housing and enact new legislation (a right-of-first refusal ordinance is already being drafted). Additional strategies will evolve from the Council Subcommittee on Housing which is closely evaluating this matter. The City will explore solutions to the problem of increasing affordable homeownership opportunities for moderate income households but at the same time avoiding or where not possible mitigating negative impacts from such programs on low income households.

New programs will be targeted to the lower income categories who are most at risk. Targeting to that group means that the minority population will be the predominant beneficiaries since income and minority ethnicity usually coincide. To maintain the City's non-discrimination policy, income will be the basis deciding on eligibility unless there are particular program requirements. However, the City may target certain programs to specific areas of low income concentration to achieve revitalization of an entire area. It will also concentrate resources to undertake types of programs that meet special needs.

c. Other Strategies for Maintaining Affordability

Depending on varying situations, both homeownership opportunities as well as retention of rental units will have to be used as strategies for maintaining affordable housing. In either case, programs will incorporate long-term affordability provisions. Emphasis will be placed on assisting non-profit agencies purchase a building, rehabilitate it and turn it into a limited equity cooperative. In other cases (as with the Rental Rehabilitation Program), the City can work with the existing owner to offer rehabilitation assistance in exchange for affordability provisions. Wherever possible, design of any one program will consider addressing multiple housing problems. Housing for persons with special needs will include provision other social services. The City will continue to participate in the federal Mortgage Credit Certificate Program, a first-time homebuyers program, which assists low and moderate income persons to purchase housing.

d. Rehabilitation

Rehabilitation is a concomitant priority for the City because it directly ties in to maintenance of affordability and therefore to the maintenance of social/ethnic diversity, and to the historical and architectural diversity which is an integral part of Berkeley's identity. Rehabilitation makes economic sense since generally it is much less expensive renew than to build anew. The general geographic priority for programs will continue to be the Community Development Block Grant (CDBG) Neighborhood Strategy Area (South and West Berkeley). This will allow minority population retention. Other programs, however, will be citywide to assist special needs group such as seniors and to afford housing opportunities for low income persons living in other parts of the City who are at risk of displacement.

(1) New Rental Rehab Programs

A new Local Rental Rehabilitation Program using CDBG monies has been approved by Council similar to the federal Rental Rehabilitation program and likely to be continued in the next five years. The program has the dual purpose of targeting rental units with the lowest rents which are occupied by very low income households. It will benefit primarily very low tenants by requiring that rents be affordable to those at 40% of median income or below (those most at risk of becoming homeless). It will also be attractive to property owners by offering low interest deferred loans or Section 8 rents. The Rental Rehabilitation program will also achieve the goal of maintaining the rental housing stock most likely to be in need of rehabilitation. Given limits on funds, it will be targeted to South Berkeley where there is a concentration of low income tenants and low rent units and where there is a major City effort to revitalize that area without gentrification.

The City will explore giving preference to use of majority of HOME entitlement monies for acquisition and rehabilitation purposes because it can ensure affordability and effective leveraging of resources. However, if substantial increases result from changes in rent control regulations, some HOME monies may have to be used for programs to reduce displacement and homelessness.

(2) Bringing Back Vacant Units/Rooms

Rehabilitation of SRO hotels is also a priority since these can provide affordable housing to single person households and are needed to replace the rooms lost during the last five years. Another City rehabilitation priority is to bring vacant rental units back into the market at affordable rents. In fact, vacant units are expected to be given priorities in the new local Rental Rehabilitation Program being established. The City will also explore other incentives/penalties it can use to bring properties into the market.

(3) Senior Homeowners Housing Rehabilitation

The City will shift from solely assisting residential rental properties to include very low income senior homeowners. The City offers 6% deferred interest loans of up to \$10,000. This avoids hardship for the low income but at the same time leverage the City's resources.

(4). Rehabilitation to Make Units Seismically Safe

The City will lobby for, and participate in, such programs as CALDAP which make buildings seismically safe and will monitor its newly enacted ordinance requiring that certain buildings be made seismically safe. The City also gives a reduction in property transfer fees (equivalent to up to 1/2% of sales price) paid for seismic work undertaken.

(5). Installation of Energy Conservation Measures

The City will continue its RECO Program to ensure that when houses are sold energy efficient measures (such as low-flow shower heads, insulation, weather stripping) are added to existing units. It will continue its voluntary housing energy conservation programs which are funded at approximately \$400,000 per year.

e. New Construction

The City plans to complete existing projects two new housing project begun in previous years (Mumford Plaza and Lorin Station). Rather than undertaking development projects directly, it will continue to encourage non-profits organizations to do so. Generally new construction is a low priority except for housing such as SRO's which will address the needs of very low income single person households, or new construction where the City's subsidy is minimal. The BHA has applied to the Section 8 Acquisition/substantial Rehabilitation Program and will be able to provide 50 units (for large and small families) if the application is accepted participation by the BHA. The City's will make use of the local Inclusionary Zoning Ordinance to ensure that all new housing projects with five or more units provide some lower income units. That ordinance will also be reviewed to determine if it can be revised to be more effective (e.g., should an in-lieu fee be required rather than actual production, should it apply to buildings with less than five units?). Density bonuses required under state law, and other zoning variances acceptable to the community will also be used to encourage private development of affordable housing and the City encourages new student housing created by the University that is within the City's zoning envelope.

f. Better Utilization of Existing properties:

(1) Encourage second units. Analyze what incentives can be given to increase the number of second units created and what zoning changes could be made to streamline the permit process while maintaining neighborhood input.

(2) Encourage Room Additions. This process is currently an important way to allow homeowners to meet the housing needs of increasing family size.

(3) Encourage Shared Housing and other types of communal living arrangements. This type of housing reduces housing costs and meets other social needs of a variety of persons.

g. Coordination w/ State and Regional Agencies

This strategy is consistent with the state and regional government both insofar as it reflects the City's Housing Element which was developed in coordination with the State Department of Housing and Community Development (HCD) and the Association of Bay Area Governments (ABAG). HCD has found the City's Element to be in compliance State requirements and Berkeley's regional share of this areas future housing needs is in conformity with those established by ABAG. The City will continue working with the state, ABAG, and other agencies to develop regional approaches to solutions of common housing and related issue which are based on the concept of "fair share". Berkeley will work with county government to float General Obligation bonds for housing programs. It will also lobby and work with State legislators for change in Proposition 13 revisions (to allow majority instead of two-thirds requirement to allow additional taxes) to generate additional local/state/federal revenue sources to allow the City to undertake additional affordability programs.

III. Assisting the Homeless

The City plans to develop a permanent new shelter to replace the existing temporary shelter arrangement at the Veteran's Memorial Building. It is in the process of creating a homeless shelter for women and children plus 10 transitional housing (the Dwight Way Project). It is assisting U.A. Housing, Inc. and Housing for Independent People, Inc., two non-profit developers, in bringing back to low-income occupancy two vacant SRO's (the U.C. Hotel, and the Stark) and will encourage construction of new SROs. The City plans to facilitate the creation of an additional transitional housing projects for homeless persons with special needs. The City is fortunate to have a variety of dedicated, experienced homeless services providers. It will continue to use CDBG, CSBG, and other funds to ensure the provision of shelter and transitional housing and the other social services of homeless persons. Where appropriate, it will provide matching funds to allow community agencies and/or the City to apply for funding under the various federal and state programs. It will work with the various communities to minimize difference between those with housing and those without and to develop "fair share" arrangements to help deal with the problem of homelessness. The City will also work towards pooling of efforts, resources, and lobbying activities with other cities in the Bay Area to help reduce the homeless problem.

IV. Governmental Constraints

Intergovernmental relations place major constraints on the City of Berkeley. The most equitable and broad-based tax is a national or state progressive income tax on all persons, individual and corporate. With the very limited funding now made available for housing subsidies by the Federal and State governments, which collect taxes on this basis, the City has inadequate resources to provide housing for its low-income residents. The number of Section 8 certificates available from the federal government is only a fraction of the need.

HCD review emphasizes those aspects of the Housing Element which pertain to construction of new housing and, except in the limited case of government subsidized units, fails to require cities to analyze the need for replacement of existing affordable units lost due to rent or price increases. This approach discourages local governments (and the State government) from giving adequate attention to the preservation of their existing affordable housing stock.

In addition, HCD evaluates housing elements based more on their descriptive detail rather than on substantive progress in creating affordable housing. The level of detail currently required in Housing Elements is appropriate only for those cities which cannot demonstrate substantial progress in meeting their fair share of regional affordable housing goals. For other cities it constitutes an unnecessary drain on staff resources. Bills are now being introduced to give completion of a Housing Element as a basis for awarding state monies to certain programs.

Local government constraints also exist, although in most cases, housing-related ordinances in Berkeley encourage preservation and upgrading of existing housing. Each of Berkeley's constraints on housing production, serves the purpose of protecting other public values such as preservation of neighborhood amenities and the quality of life of Berkeley residents. The Council Subcommittee on Housing is working on programs to reduce regulatory barriers to affordable housing.

Building Codes and Inspections: Berkeley uses the Uniform Building Code without amendments. It also has a deadbolt lock ordinance which requires installation of deadbolt locks in all rental housing. This constitutes a minimal added cost and a major improvement in resident safety. It takes an average of 6 to 8 weeks to process building permits for a new house and 8 to 10 weeks for an apartment building. A typical new 2,000 square foot house with construction costs of \$58 a square foot would pay plan check and building, electrical, plumbing and mechanical inspection fees of \$3,546. For a typical new 500 square foot apartment unit with construction costs of \$62.50 a square foot these fees would total \$1,307. The fees represent the actual cost of conducting the inspections and clearly reduce the per unit costs for construction of more affordable multi-family housing. These fees are waived for non-profit low income housing projects.

Condominium Conversion Ordinance: This ordinance prohibits conversion of rental units to condominiums, community apartments or stock cooperatives when the City's vacancy rate is under 5%. Conversion to limited equity cooperatives is permitted and development of condominiums in new buildings or formerly non-residential buildings is not affected. This restricts the conversion of rental units to owner occupancy, thus preserving the rental housing stock, which is typically affordable to lower income residents than is owner-occupied housing.

Design Review: Any exterior changes in a non-residential district are subject to design review by the Design Review Committee, whose members are appointed by the Board of Adjustments, the Landmarks Preservation Commission and the Civic Arts Commission. Any residential development in a commercial area is subject to design review. Decisions of the Design Review Committee may be appealed to the Board of Adjustments and the City Council. This process may delay or add to the cost of some residential projects. It plays an important role in reducing neighborhood concerns over multi-family mixed-use development and thus can also speed up the development process.

Engineering Permits and Fees: Water connection fees are set by the East Bay Municipal Utility District based on a sliding scale. Fees are lower for development at lower altitudes, which require less pumping, and for multi-family units, which are generally smaller and use less water than detached houses. Sewer connection fees are currently \$2,770 per unit, a figure which is based on the average number of fixtures in a detached unit. In one case a lesser per unit fee was negotiated for a multi-family project based on the number of fixtures in each unit. The City may wish to consider a change in the fee scale along these lines in order to further encourage second units and apartments. The fee is based on the contribution new construction must make to the reconstruction and expansion of the Berkeley sewer system. All other engineering fees are small permit fees and inspection fees based on an hourly cost. All fees are set based on actual costs to the City of the work required.

Planning Fees and Permits: A typical single family house that meets all zoning requirements would pay \$1,100 planning fees, including \$275 for public hearing notification to neighbors within 300 feet and \$827 for a use permit. A six unit apartment building that meets all requirements and did not need environmental review would pay \$2,000. In either case the process takes three to four months from the date the application is submitted, two to three months from the date the application is deemed complete, depending on the degree of neighborhood opposition. The process can be longer if an environmental review is required.

All housing construction in Berkeley is subject to discretionary review and requires a use permit from the Board of Adjustments. In the case of second units this procedure has allowed the Board to waive parking requirements on a routine basis without meeting the stringent requirements of a formal zoning variance but in other cases it allows major delays and creates an unpredictable process with shifting demands.

Inclusionary Zoning: The City requires 20 percent of new units to be rented or sold at rates affordable to low income households in developments on land on which five or more units is a permitted use. Pursuant to the requirements of state law, density bonuses are granted where the development will be 25 percent low-income or 10 percent very low-income. The ordinance may decrease the profitability of some developments and thus

may reduce the incentive to develop. The City believes that targeting a portion of new housing to meeting its low-income housing need is essential to its mandate to provide housing for people of all income levels.

Landmarks Preservation Ordinance: This ordinance protects "structures, sites and areas of special character or special historical, architectural or esthetic interest or value" from unnecessary destruction or alteration. It covers only 72 residential properties but could prevent the construction of in-fill units through more intensive use or a change in use of a covered property.

Neighborhood Preservation Ordinance: Passed in 1973, only Section 5 is still in effect. This section requires permits for demolition of structures containing residential units and that provision be made for relocation of any displaced residents. This section may inhibit some replacement of existing housing, but only in very marginal cases where tenant relocation costs or the costs of replacing demolished units would make the difference. This ordinance is similar to the Barney Frank Amendment to the federal Uniform Relocation Act aimed at reducing displacement.

Public Parks and Open Space Preservation Ordinance: Passed in 1986, this ordinance specifies that the voters must approve use of any public park or public open space owned or leased by the City for any purpose other than parks or open space. This may impede use of vacant City land for housing.

Rent Stabilization and Eviction Control:

(a) **New Construction.** Despite the exemption of all new construction, some prospective developers may be deterred by the fear that a new law might extend controls to their property. However, there is no evidence that rent control has actually had this effect or reduced new construction. Indeed, the City is currently experiencing substantial growth in privately developed housing.

(b) **Maintenance.** Since rent increases to pay for capital improvements require following the Individual Rent Adjustment process, some owners say they are inhibited from making repairs due difficulties obtaining financing, a desire to avoid paperwork and a wish to avoid potential conflict with tenants. At the same time, the rent stabilization and just cause for eviction ordinance makes it very difficult to retaliate against tenants who lodge complaints about code violations. This enables the City's code enforcement process, which depends on tenant complaints, to function more effectively.

The Bay Area has probably lost more housing affordable to lower income households than it has built since 1980. Berkeley is exceptional in having actually met 96% of its 1980-1990 lower income housing production goal while preserving most of its existing affordable housing through rent stabilization and anti-conversion and demolition legislation. However, as has been discussed, the attempt to deal more equitably with owners of buildings with low rents is expected to have negative effects on very low income tenants. The City will continue to lobby at the State level to keep further erosion of the local ordinance and, locally, will work with the Rent Board to try and minimize negative effects to affordability caused by the loosening of rent control restrictions.

Residential Energy Conservation Ordinance: This ordinance requires all residential structures to meet specified energy conservation standards before they are sold or exchanged. Required expenditures are limited to \$1,000 for one unit structures and \$.50 a square foot for multi-unit structures. This ordinance reduces ongoing housing costs in the long run, and the initial capital investment is too small to be a real constraint.

Seismic Safety Ordinance: This ordinance is expected to be approved in September 1991 and requires that unreinforced masonry buildings be made seismically -safe within a time frame of two to ten years. This ordinance may create an economic strain on some owners but is mandated by the State for public safety purposes.

Zoning: In a built-up city such as Berkeley, zoning which protects existing uses inherently restricts in-fill at increased densities. However, Berkeley compensates for this by encouraging development in mixed-use areas along transit corridors. About one third of the City is zoned to permit multi-family uses (three or more units per parcel), another third for two-family parcels and another third of the City is zoned single family (see zoning map in appendix). Second units are a permitted use throughout single-family zones.

CHAS Table 3

JUN 15 1991

U.S. Department of Housing and Urban Development
Office of Community Planning and DevelopmentPriorities for Assistance
5-Year Plan

Comprehensive Housing Affordability Strategy (CHAS)

Name of Jurisdiction(s) or Consortium:

CITY OF BERKELEY

Five Year Period: (enter fiscal yrs.)

1992 - 1997

FY: 1992 through FY: 1993

Activity	Renters				Owners			Homeless Persons (H)	Other Persons with Special Needs (I)
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Existing Homeowners (E)	First-Time Homebuyers With Children (F)	All Others (G)		
Very Low-Income Persons	1. Moderate Rehabilitation / Acquisition	2	1	1	3	1	1	1	1 (2)
	2. New Construction, Substantial Rehabilitation, Related Infrastructure	2	3*	2	3	3	3	2	2
	3. Rental Assistance	1	1	1				1	1
	4. Homebuyers Assistance					(1)	(1)*		
	5. Support Facilities and Services	2	3	3	3	3	3	2	2
Other Low-Income Persons	6. Moderate Rehabilitation / Acquisition	3	2	2	3	2	2	2	2
	7. New Construction, Substantial Rehabilitation, Related Infrastructure	3	3	3	3	2	2	2	2
	8. Rental Assistance	3	3	3				2	2
	9. Homebuyers Assistance **					2(1)	2(1)		
	10. Support Facilities and Services	2	3	3	3	3	3	1	2

* Rental assistance top priority for very low income if Federal monies available.

** Homebuyers assistance only with long-term affordability restrictions.

PART IV
ONE-YEAR PLAN

Section IV -One-Year Plan

I. Administration

The City's housing function is located within the newly created Community Development Department which contains has three division, all of which are under the Office of the Director: the Community Development Services Division, the Berkeley Housing Authority, the Program Planning, Management and Budget (PPMB) Division . The Community Development Services Division integrates both housing development and economic development functions for the City, and is directly involved in providing services such as housing rehabilitation, assisting non-profit housing development with housing for the homeless and new housing developments, administering the City's "first-source" hiring program and other economic development programs; it also contains the City's Redevelopment Agency. The Berkeley Housing Authority (BHA) operates over 1700 units of Section 8 Assisted Housing programs and 75 units of low incomepublic housing. The PPMB Division is responsible for developing, evaluating and monitoring housing programs , and undertaking budget and administration functions for the entire Department. PPMB also administer the CDBG program, staffs the Housing Advisory Commission, and the City's Central Relocation Agency. The Department works closely with community agencies and non-profit developers to create affordable housing and with the Council Subcommittee on Housing to ensure that new and existing housing programs reflect the community's needs. The City will have to work closely with private lenders to facilitate obtainment of mortgages by encouraging lenders to adhere to the Community Reinvestment Act, by guaranteeing loans or making other arrangements to encourage private financing.

During the Federal Year 1992 the Community Development Department is expected to complete successfully the transition from its previous place in the City's organizational structure and to have developed systems of coordination between housing, and economic development functions which are now located within the same Department for greater efficacy. During this year major emphasis will be placed on ensuring that staff is properly trained to take advantage of the new computer network system established in the City. Such a system should streamline the Department's operations; create better communication with other Departments on community development issues and programs, and allow for better monitoring of expenditures. A new revised reporting system has been instituted to allow project reporting on a component basis to allow for better evaluation of CDBG projects. The Department will also with local community housing non-profit organizations which the City funds to increase their effectiveness. Staff will work closely with homeless services providers, the Homeless Coordinator, and the Health and Human Services Department to facilitate the integration of housing and other social support services in transitional housing and shelter programs. The Community Services Division will consider ways it can best work with the private, for-profit sector to undertake joint new housing projects (especially SRO housing) and to ensure that housing mitigation fees are received when other types of developments have housing impacts. The Department will work with the County to develop a housing bond program and with ABAG and other regional planning group to develop solutions to regional problems that contain a fair share concept and reward localities that can demonstrate the willingness and ability to meet those goals. Towards that end, the City expects to support the establishment of a new regional entity proposed by BayVision 20/20. Department staff will work with other housing entities (such as NPH, OHO, LIHC) with regional concerns to lobby for additional federal and state housing resources and programs).

II. Resources

It is very difficult to predict accurately what housing resources will be available to the City in the next federal fiscal year (October 1, 1991 through September 30, 1992) since the federal budget is not yet completed, proposed state bills to continue funding for major housing programs have not yet passed, and City's willingness to commit additional General Funds is contingent upon an increase in revenues through new revenue-raising programs. In addition to uncertainty of funding, some federal and state funds are highly competitive. With those qualifications, the City can anticipate that approximately \$10 million will be spent for completion of the following "in progress" projects. Local funding constitutes approximately \$2.3 million of that amount and private funding \$1.1 million, the remainder has been, or is expected to be, committed by the federal or state government:

Stark Hotel Renovation (SRO)
U.C. Hotel Renovation (SRO)
Lorin Station (new construction)
West Berkeley, Tenant-occupied housing (3 units Substantial Rehab)
Dwight Way Shelter and Transitional House
Acquisition/rehab of 1970 San Pablo Avenue Building (for conversion into LEHC)
Creation of Martin Luther King Transitional House for Veterans (Acquisition/rehab)

In the following federal fiscal year another approximately \$10.6 million are projected to be available for new housing projects as follows:

Federal (\$5,317,000)

CDBG Entitlement (housing and supportive services)	\$3.5 million
Federal HOME Entitlement Program	\$1 million
Federal Rental Rehabilitation Program (carryover)	\$367K
CSBG Housing Programs	\$300K
Homeless/Transitional Housing Funds	\$150

State (\$3,355,000)

CALDAP	\$2.5 million
RHCP	\$800K
Seismic Safety Program	\$250K

Local (\$2,000,000)

General Funds	\$1.6 million
Housing Trust Funds	\$400K

Other (\$400,000)

Housing Conservation Grants (fed. & state)	\$400K
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In addition, the BHA receives \$10.8 million to operate its programs. It has applied for subsidies for 167 units under the Section 8 Existing Housing Assistance Program and 50 units of acquisition/substantial

rehabilitation. The Rent Stabilization Program receives approximately \$2.2 in fees to operate its program. Finally, the City of Berkeley as well as non-profit housing developers will continue their aggressive pursuit of federal and state monies and take advantage of windows of opportunities which cannot be predicted but routinely present themselves.

III. Expected Beneficiaries

CHAS Table 5B serves as a guide to project beneficiaries, because of unavailable data and the fact that the City's one-year plan is still "in progress", these figures are tentative at this time and will be revised in the process of developing the final CHAS. Additional information is contained in the appendices in this draft to provide a clearer picture of programs and beneficiaries. Appendix A contains a list of the major housing activities administered directly by the Community Development Department or in conjunction with non-profit entities and the beneficiaries. Appendix B contains list of other services under CDBG and CSBG for Fiscal Year 1991-92 is contained in Appendix C.

The table and the appendices clearly indicate that Section 8 is the City's largest direct subsidy housing program. It accounts for approximately 2/3 of households assisted and benefits the very low income households and those identified as having special needs. The information provided also clearly demonstrates that the vast majority of those assisted will be households with very low income rather than lower or moderate income households. Lower income tenant households are the largest group of low income households assisted. This is done mainly through moderate rehab and/or acquisition programs. The chart also reflects the City's new direction of acquisition and rehab. It is the City's intention to encourage conversion of acquisition and rehab projects into limited equity cooperatives. However, since such conversions involve a lengthy process, they will not result in cooperative homeownership until the following year(s). As can be expected, support services are geared at the elderly population and the category "all other households" which in this case means single individuals with special needs. No displacement of residential occupants is expected this year. Below is a summary of existing housing programs and expected new programs with projected completion dates for 1992. A more detailed list of existing programs is contained in

III. Programs

Existing Program

BHA

Management of approximately Section 8 Existing Housing and 75 units of public housing

New

167 additional Section 8 units if application approved (March 1992)

develop a Section 8 tenants' participation organization (12/91)

50 additional units (large & small families if Section 8 acquisition/substantial rehab application approved)

Community Development Services Division/ Non-Profits

New Housing/Sub. Rehab

3000 Block (43 units) complete and maintain (Nov. 1991)

Lorin Station (14 units) complete (6/92)

Redev.D & E housing (2)

Inclusionary Zoning (private sector)

Acquisition/Rehab

San Pablo Project (26 units) 3/92

Explore addit/SRO

Acquisition/Conversion

\$1Mil - 50-75 units: 9/92

(from increased General Funds, HOME monies)

Tied to new Right-of-first

refusal (to purchase) Ord.

Rehab

Federal Rental Rehab (35 units) (\$367 K) 3/92

Local South Berkeley Rental Rehab (50 units)

(\$475K): 6/92

Seniors Rehab (15) (\$110K) 3/92

HOME Rental Rehab 9/92

Emergency Tenant Assistance (if necessary)

HOME, other (9/92)

PPMB - CDBG Administration

Other CDBG Housing Projects: 9/92

Housing Rehab & Development staffing assistance

Residential Access Project for disabled Persons

Residential Rental Inspection Program

Seniors Minor Home Repair Program

B.O.S.S. Housing Advocacy

Overnight Refuge Center

Project Share

Senior Home Equity Conversion Program

Tenant Action Project

Fair Housing

Relocation Services

First-Time Homeownership 9/92

MCC Program (20 units - 5 lower income

Transitional Housing

Dwight Way (6 to 10 beds): 4/92
Martin Luther King (20 beds) 2/92
Stark Hotel (18 beds) 6/92

Homeless Shelters & Services

Complete Dwight Way (40 beds): 4/92
Continue operations of Vet. Building Shelter (60 Beds)
Continue assisting homeless service providers

PPMB Program Planning

Regulations

new Right-of-first
refusal (to purchase) Ord. 11/91
explore Vacant Unit Program (12/91)
explore Tenants in Common (3/92)
Explore revision of Condo conversion
moratorium (6/92)

Community Development Services Division

Housing Energy Conservation (approx. \$400,000): 9/92

Health and Human Services Department

CSBG Housing Services (total \$323,829): Expend by 6/92

BEFP - Exit Resource Program

Project Share

ECHO Housing - Rental Assistance

BEFP - Shelter

B.O.S.S.

Women's Refuge

Housing Rights Inc.

Bonita House

Other (Whole Community Development Department)

Assist / HHS and Homeless Coordinator w/ homeless programs as appropriate

Apply for federal and state housing monies as they become available that will help meet the City's housing priorities.

Lobby to maintain/increase housing programs (such as AB1278 (Bates) Family Housing Demonstration Program) & keep local rent control from being further eroded.

Work w/ County to explore possible hshg. bond program

complete transition of Community Development Department

Support Vision 20/20 recommendations for regional coordination.

IV. Monitoring Plan

The City will use processes for monitoring affordability requirements for projects receiving CDBG funds that have been established over the years and approved by HUD. For projects receiving rehabilitation assistance, the monitoring techniques similar to those used in the federal Rental Rehabilitation Program will be used, there is current discussion as to the most appropriate location of that monitoring function which will be resolved by submission of the final CHAS. For homeownership opportunities with long-term affordability restrictions, the model which will be used will be that developed for the Redevelopment's "D and E" projects. For acquisition and rehabilitation by non-profit entities which are not converted into limited equity cooperatives or some other form of non-profit homeownerships, any subsidy will be contingent upon maintenance of life-time affordability and will use the City's established procedures for contract monitoring.

Anticipated Resources & Plan for Investment

Comprehensive Housing Affordability Strategy (CHAS)

Name of Jurisdiction(s) or Consortium:

FY:

Funding Source Federal Funds Awarded or to be Awarded to Jurisdiction	Anticipate to be Available (A)	Expect to Commit (B)	Anticipated resources expected to be committed to projects/activities during FY (\$000's)							
			Rehabilitation (C)	Acquisition (D)	Tenant Assistance (E)	New Construction (F)	Home Buyer Assistance (G)	Planning Grants (H)	Support Services (I)	Operating Costs (J)
1. Home		1,000	600	100	100		200			
2. Hope 1	-0-									
3. Hope 2	-0-									
4. Hope 3	-0-									
5. CDBG		2,700	700	600	100		100		1,200	
6. DOE/Other Energy Prg.	200		200							
7. Other Section 312 (Specify) Rental Rehab	600 300	67	600 367							
8. CSBG MCC		300 40					40		300	
9. Subtotal - Housing	1,100	4,107	2,467	700	200		340		1,500	
10. CDBG (Homeless)		100	50						50	
11. ESG		75	25						50	
12. Perm. Housing for Handicapped										
13. Transitional Housing										
14. Shelter Plus Care										
15. Other (Specify)										
16.										
17.										
18. Subtotal - Homeless	-0-	175	75	-0-					100	
19. Total to Jurisdiction	1,100	4,282	2,542	700	200	-0-	340		1,600	

JUN 15 1991

Funding Source Non-Federal Funds	Anticipate to be Available (A)	Expect to Commit (B)	Anticipated resources expected to be committed to projects/activities during FY (\$000's)							
			Rehabilitation (C)	Acquisition (D)	Tenant Assistance (E)	New Construction (F)	Home Buyer Assistance (G)	Planning Grants (H)	Support Services (I)	Operating Costs (J)
State Funds (Specify)										
41. CALDAP	-0-	2,500	2,500							
42. RHCP	800			800						
43. PROP. 77-184	-0-	2,489	237	1,600		652				
44. Seismic Safety Program	400		400							
Energy Conservation	200		200							
45. Subtotal - State Funds	1,400	4,989	3,337	2,400		652				
Local Funds (Specify)										
46. General Funds	1,600		400	800	100		300			
47. Trust Fund		400	250	150						
48.										
49.										
50. Subtotal - Local Funds	1,600	400	650	950	100	-0-	300			
Private Funds (Specify)										
51. CRA	3,000			3,000						
52. Lorin Station		313				313				
53. S.F. Foundation	200			200						
54. BRIDGE	100									
55. Subtotal - Private Funds	1,500	313		1,400						
56. Total - Non-Federal Funds	6,300	5,702	3,987	6,550	100	965	300			
57. Grand Total All Funds	13,562	12,082								

JUN 15 1991

Funding Source Federal Funds Awarded or to be Awarded to Other Entities	Anticipate to be Available (A)	Expect to Commit (B)	Anticipated resources expected to be committed to projects/activities during FY (\$000's)							
			Rehabilitation (C)	Acquisition (D)	Tenant Assistance (E)	New Construction (F)	Home Buyer Assistance (G)	Planning Grants (H)	Support Services (I)	Operating Costs (J)
20. Hope 1	-0-									
21. Hope 2	-0-									
22. Hope 3	-0-									
23. Section 202 Elderly	-0-									
24. Section 811 Handicapped	-0-									
25. Rental Certification	167				167					
26. Rental Vouchers	4,000				4,000					
27. Mod Rehab SROs Proj.	-0-									
28. Perm. Housing for Handicapped		290							290	
29. Transitional Housing		208	128	80						
30. LIHTC	662									
31. Public Housing MROP	-0-									
32. Public Housing Develop.	1,500		750	750						
33. Public Housing CIAP	-0-									
34. Public Housing Compre- hensive Grant Program	-0-									
35. FmHA	-0-									
36. Other FEMA (Specify)	1,100	1,100	1,100							
37. SBA		500	500							
38.										
39. Total - Other Entities	6,162	2,098								
40. Total - Federal	7,262	6,380								

CHAS Table 5B

Goals for Families
to be Assisted with HousingJUN 15 1991
(W/CDBG FUNDS)U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Comprehensive Housing Affordability Strategy (CHAS)

Name of Jurisdiction(s) or Consortium:

FY:

Assistance Provided by Income Group	Total Section 215 Goals (A)	Total Goals (B)	Renters					Owners			Total Homeowners (K)
			Elderly 1 & 2 Member Households (C)	Small Related (2 to 4) (D)	Large Related (5 or more) (E)	All Other Households (F)	Total Renters (G)	Existing Homeowners (H)	First-Time Homebuyers With Children (I)	All Others (J)	
1. Very Low-Income (0 to 50% of MFI)*	430		-	-	-	25 25 TRANSIT					
2. Mod Rehab & Acquisition	160		5	11	20	75 U.C. Hotel					
3. New Const, Sub Rehab, Related Infrastructure	50		2	28	15	5					
4. Rental Assistance	200		15	110	45	30					
5. Homebuyer Assistance	20								14	6	
6. Support Services		100	15	10		30		45			
7. Other Low-Income (51% to 80% of MFI)*	88										
8. Mod Rehab & Acquisition	56		4	34	8	10					
9. New Const, Sub Rehab, Related Infrastructure	18			10					7	1	
10. Rental Assistance	-0-										
11. Homebuyer Assistance	14								10	4	
12. Support Services		-0-	25	10		3					
13. Total Low-Income (Lines 1 and 7)	518										
14. Other Income (More than 80% of MFI)*		20							12	8	
15. Grand Total (Lines 13 and 14)											

*Or, if appropriate, based on HUD income limits with required statutory adjustments.

HOUSING ACTIVITY, FISCAL YEARS 1990-91 and 1991-92
(referred to as 1990 and 1991 below)

<u>PROGRAMS</u>	<u>Type</u>	<u># Units</u>	<u>Target Population</u>	<u>Property Owner Type</u>
1. Section 8 Certificates	Rental Subsidy	1520	Very low income	Private for-profit and non-profit
2. Section 8 Vouchers	Rental Subsidy	186 a	Very low income	Private for-profit and non-profit
3. State aftercare	Rental Subsidy	14	Very low income	Private for-profit and non-profit
4. Low-rent public housing	Management of previously developed units	61	Very low income	Housing Authority
5. State Rental Housing Constr.	Management of previously developed units	14	Very low income	Housing Authority
6. Federal rental rehab	Rehab. of rental housing	1990 - 10 1991 - up to 50 b.	At least 80% low income	Private for-profit and non-profit c
7. Section 312 (federal)	Rehab. (rental and owner are eligible)	1990 - 62 (1991 - 36) d	At least 80% low income	Mostly coop/non- profit. Savo Coop - 57 units, 1990. RCD- 26 units, 1991.
8. CALDAP (state)	Rehab. of earthquake- damaged properties	65 units over 1990, 91	Anyone with earth- quake damage, but most are SW Berkeley	54 owner-occupants 11 private for- profit rental units
9. Municipal rental rehab	Rehab loans for rental property	up to 50 in 1991 e	South Berk. bldgs, at least 80% low-income	Private non-profit or for-profit
10. Municipal homeowner loans	Rehab loans	Approximately 10 in 1991	Seniors	Private owner- occupants

<u>PROGRAMS</u>	<u>Type</u>	<u># Units</u>	<u>Target Population</u>	<u>Property Owner Type</u>
11. Minor home repair (municipal)	Small repair grants	Approximately 30 in 1991	Seniors	Private owner-occupants
12. Relocation caused by - a. Public Act b. Private Act	Assist in finding alternate housing (temp or perm)	a. About 15/year b. About 200/year	Any displaced by public action Any displaced by private action	Any
13. Inclusionary zoning	Require low income units in new construction	1 in 1990 20 in 1991	Low and very low income	19 for-profit rental. 2 for-profit owner.

<u>PROJECTS</u>	<u>Type</u>	<u># Units</u>	<u>Target Population</u>	<u>Property Owner Type</u>
1. 3000 Block Sacramento	New Construction	43	18 very low and low income, 25 market	Rental, converted to coop ownership
2. U.C. Hotel	Acquisition/Rehab (restore to use)	73	Very low income	Non-profit
3. Stark Hotel	Rehab (restore to use)	20	Very low-income, double-diagnosis	Non-profit, on long-term lease from owner
4. 2140 Dwight Way	Acquisition/Rehab	13 apts. 40 shelter beds	Very low income	Initially City (legal mandate), non-profit after 5 years
5. 1970 San Pablo	Acquisition/Rehab	26	Low and very low income	Non-profit, converting to coop
6. Lorin Station	New construction	14	Very low income	Non-profit
7. D&E Houses	Rehab	13	Very low and low income	9 homeowner 4 rental

<u>PROJECTS</u>	<u>Type</u>	<u># Units</u>	<u>Target Population</u>	<u>Property Owner Type</u>
8. Tenant-occupied houses (BRA)	Rehab and new	3	Low income	BRA, with tenant option to buy
9. 2942-44 MLK	Acquisition/Rehab	20 beds (transition)	Very low income (homeless)	Non-profit
10. Bonita House	Acquisition/Rehab	4	Very low income	Non-profit
11. Veterans Bldg.	Rehab	60 beds	Very low income (homeless)	City
12. 1812-6th St. 1610-6th St. Ghego House	Disposition (private rehab/ construction)	9	Market rate	Private, for- profit

FOOTNOTES

- a. We are presently overleased on vouchers and need to reduce to 147 by attrition.
- b. \$97,000 in hand; \$300,000 may be added by HUD.
- c. Requires 50% private match, which results in primary use by private for-profit.
- d. Applying for loan for 26 units at 1970 San Pablo and perhaps at a South Berkeley location. The San Pablo project duplicates the same project listed under projects.
- e. \$330,000 allocated, plus potential \$144,347 as CDBG income/carryover permits.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

1. BUDGET ALLOCATIONS AND NATIONAL OBJECTIVES

PROPOSED ACTIVITIES

Project Code	Activity	Sponsor	Allocation	Objective	Eligibility
<u>Housing Activities</u>					
H1	Housing Rehabilitation & Development	City of Berkeley	\$ 793,914	Low/Mod.	570.202
H2	Preservation of Existing Low Income Affordable Housing	Resources for Community Development	64,168	Low/Mod.	570.202
H3	Relocation Services	City of Berkeley	75,651	Low/Mod.	570.201i
H4	Residential Access Project for Disabled Persons (RAP)	Center for Independent Living	130,000	Low/Mod.	570.201k
H5	Residential Rental Inspection Program	City of Berkeley	346,169	Low/Mod.	570.202
H6	Rehabilitation Loan Servicing Project	City of Berkeley	147,511	Low/Mod.	570.202g
H7	Seniors Homeowners Assistance Program	City of Berkeley	160,000	Low/Mod.	570.202
H8	U.C. Hotel Rehabilitation	U. A. Housing	45,000	Low/Mod.	570.202
			\$1,762,413		
<u>Public/Community Facilities</u>					
C1	Purchase of C.I.L. Building	Center for Independent Living	\$ 50,000	Low/Mod.	570.201
C2	Building Rehabilitation	Adelante	50,000	Low/Mod.	570.202
C3	Community Youth and Family Development Project	Berkeley Youth Alternatives	60,000	Low/Mod.	570.202
C4	Gregg Brown Building Rehabilitation	Ephesian Children's Center	40,000	Low/Mod.	570.202
C5	Site Acquisition	Over 60 Health Center	64,347	Low/Mod.	570.201
			\$ 264,347		
<u>Public Services</u>					
P1	Comprehensive Employment Preparation and Placement	Adelante, Inc.	42,045	Low/Mod.	570.201e
P2	Elderly and Disabled Mobility/Respite Care Project	Bay Area Outreach and Recreation Program	8,618	Low/Mod.	570.201e
P3	Employment, Education & Training	Inter-City Services, Inc.	81,541	Low/Mod.	570.201e
P4	Employment/Support Services for Single Parents	Women's Employment Resources Corp.	13,609	Low/Mod.	570.201e
P5	Employment, Training, and Social Services	Asians for Job Opportunities in the Bay Area	106,513	Low/Mod.	570.201e
P6	Housing Advocacy	Berkeley-Oakland Support Services	17,655	Low/Mod.	570.201e
P7	Overnight Refuge Center	Berkeley Emergency Food Project	23,536	Low/Mod.	570.201e
P8	Project Share	Eden Council for Hope and Opportunity (ECHO)	32,139	Low/Mod.	570.201e
P9	Senior Home Equity Conversion Program	ECHO	6,620	Low/Mod.	570.201e
P10	South Berkeley Child Care Program	Berkeley-Albany Licensed Day Care Operators	163,082	Low/Mod.	570.201e
P11	Tenant Action Project	Tenant Action Project	51,493	Low/Mod.	570.201e
P12	YMCA New Light Senior Center	YMCA New Light Senior Center	25,991	Low/Mod.	570.201e
			\$ 572,842		
<u>Economic Development Activities</u>					
E1	Community Cultural Arts Center	City of Berkeley/Black Repertory Group	87,664	Low/Mod.	570.201c
E2	Employment and Business Opportunities	City of Berkeley, Office of Economic Development	302,215	Low/Mod.	570.203
			\$ 389,879		
<u>Planning and Administration</u>					
A1	CDBG Audit	City of Berkeley	\$ 15,000	N/A	570.206
A2	Economic Development Project and Program Development and Admin.	City of Berkeley, Office of Economic Development	22,130	N/A	570.205
A3	Fair Housing	Housing Rights, Inc.	6,689	N/A	570.206
A4	Program Planning and CDBG Coord.	City of Berkeley	388,739	N/A	570.205
A5	Support Costs	City of Berkeley	220,586	N/A	570.206
			\$ 653,144		
			\$ 3,642,625		
			=====		
• FUNDS AVAILABLE (1991-92)					
Seventeenth Year Entitlement			\$ 2,893,000		
Projected Program Income for 1991-92			410,000		
Carryover/Freed-up Funds			253,625		
1990-91 CDBG Reappropriated Funds			26,000		
Recaptured Funds			60,000		
			\$ 3,642,625		
			=====		

ATTACHMENT B

COMPARISON OF RECOMMENDATIONS FOR
ALLOCATION OF GENERAL FUNDS TO COMMUNITY AGENCIES

	Adopted 1990-91	Request 1991-92	Staff Recommended 1991-92	Commission Recommended 1991-92
EMPLOYMENT:				
Inter-City Services	\$ 57,731	\$ 75,000	\$ 54,690	\$ 30,020
Lizzie's Upholstery	3,343	3,343	0	3,000
Veteran's Assistance Center	39,831	41,100	31,970	35,000
Center for Independent Living	32,761	33,846	21,420	32,760
Adelante Inc.	34,793	35,000	40,000	23,650
Women's Employment Resource Corp	28,762	60,000	26,960	30,000
Asians for Job Opportunities		45,000	0	0
	<u>197,221</u>	<u>293,289</u>	<u>175,040</u>	<u>154,430</u>
EDUCATION:				
Bay Area Hispano Institute	43,925	43,925	43,930	43,925
Berkeley Albany Licensed Daycare	27,445	32,628	27,445	23,275
Ephesian Children's Center	37,163	43,200	37,160	39,895
Nia House Learning Center	32,982	34,620	32,980	30,970
St. John's Child Care Center	9,408	9,800	9,410	9,565
Sick Child Care Program	45,580	67,963	45,580	42,780
Berkeley Asian Youth Center	43,889	81,366	43,890	63,845
Break the Cycle	29,211	36,398	29,210	31,555
Adelante Inc.	32,538	35,000	0	18,740
Asians for Job Opportunities	36,154	39,300	29,200	40,000*
Berkeley Adult School	10,808	25,000	23,077	15,725
Ala Costa Center	22,287	22,284	22,290	13,505
Project SEED	22,900	24,090	22,900	18,730
Project PLAE	12,257	12,257	0	0
Berk. Neighborhood Safety Program		38,139	0	0
Sue's Kids		159,000	0	0
Family First Films		11,250	0	0
Black Seeds Gardening		10,362	0	0
	<u>406,547</u>	<u>726,582</u>	<u>367,072</u>	<u>392,510</u>
HOUSING:				
BEFP - Exit Resource Program	32,173	33,621	32,170	24,420
ECHO Housing - Project Share	11,071	17,493	11,070	14,070
ECHO Housing - Rental Assistance	14,563	26,912	0	0
BEFP - Shelter	106,687	128,538	106,690	106,690
Berkeley Oakland Support Services	107,394	151,020	107,390	100,000
Women's Refuge	24,515	24,515	24,520	24,515
Housing Rights Inc.	12,843	13,000	12,840	12,845
Bonita House	14,583	16,032	16,030	14,090
	<u>323,829</u>	<u>411,131</u>	<u>310,710</u>	<u>296,630</u>



C124904429

DELEGATE AGENCIES
 OF RECOMMENDATIONS FOR ALLOCATIONS OF GENERAL FUNDS TO POVERTY PROGRAM AGENCIES
 1991-92

AGENCY	SERVICE MEASURE	ALLOCATED FY1990-91	PLANNED CLIENTS	UNITS	ACTUAL CLIENTS	UNITS	REQUEST 1991-2	CLIENTS	UNITS	RECOMMENDED: FY1991-92	CLIENTS	UNITS
EMPLOYMENT:												
IR-CITY SERVICES	Training Sessions	\$57,731	30	599	38	3540	\$75,000	36	3216	\$54,690	36	3216
IE'S UPHOLSTERY	OJT Sessions	\$3,343	4	720	3	720	\$3,343	3	3	\$0	0	0
TRANS ASSISTANCE CENTER	Counseling Sessions	\$39,831	34	68	177	473	\$41,100	36	360	\$31,970	177	473
PER FOR INDEPENDENT LIVING	Total Times Client Assisted	\$32,761	36	648	73	402	\$33,846	144	648	\$21,420	144	648
LANTE	Total Times Client Assisted	\$34,793	120	960	231	1872	\$35,000	120	960	\$40,000	379	5098
EN'S EMPLOYMENT RESOURCE CORP.	Total Times Client Assisted	\$28,762	48	288	64	415	\$60,000	60	300	\$26,960	60	300
SUBTOTAL		\$197,221	272	3283	586	7422	\$248,289	399	5487	\$175,040	796	9735
EDUCATION:												
JECT SEED	Child Care Days Provided	\$22,900	60	243	61	300	\$24,090	60	240	\$22,900	61	300
JECT PLAE	Child Care Days Provided	\$12,257	15	900	150	150	\$12,257	300	300	\$0	0	0
KELEY ASIAN YOUTH CENTER	Child Care Days Provided	\$43,889	156	6000	158	4996	\$81,366	225	8856	\$43,890	158	6000
HOUSE LEARNING CENTER	Child Care Days Provided	\$32,982	6	1464	6	1458	\$34,620	6	1452	\$32,980	6	1458
JOHN'S CHILD CARE CENTER	Child Care Days Provided	\$9,408	4	984	12	961	\$9,800	6	886	\$9,410	12	961
COO	Child Care Days Provided	\$27,445	6	1020	8	1165	\$32,628	60	1200	\$27,445	60	1394
ESIAN CHILD CARE CENTER	Child Care Days Provided	\$37,163	43	7380	33	7380	\$43,200	35	7380	\$37,160	35	7380
IA	Child Care Days Provided	\$43,925	32	7680	40	7961	\$43,925	32	7808	\$43,930	40	7961
K CHILD CARE PROGRAM	Child Care Days Provided	\$45,580	55	200	48	1134	\$67,963	160	3200	\$45,580	55	1134
AK THE CYCLE	Client Tutoring Sessions	\$29,211	120	4420	152	3889	\$36,398	125	4400	\$29,210	152	4420
ANS FOR JOB OPPORTUNITIES IN BERK	Client GED Sessions	\$36,154	26	1080	21	1254	\$39,300	60	1200	\$29,200	26	1254
KELEY ADULT SCHOOL	Client GED Sessions	\$10,808	20	2204	32	2368	\$25,000	99	5760	\$23,077	99	5760
LANTE	Client GED Sessions	\$32,538	30	600	148	3226	\$35,000	84	1824	\$0	0	0
COSTA	Diagnosis & Treatment Sessio	\$22,287	8	2000	9	2269	\$22,284	8	250	\$22,290	9	2269
SUBTOTAL		\$406,547	581	36177	878	38511	\$507,831	1260	44756	\$367,072	713	40291
HOUSING:												
KELEY EMERGENCY FOOD PROJECT	Referrals or Contacts	\$32,173	144	1142	144	1428	\$33,621	144	1152	\$32,170	144	1428
O HOUSING	Shared Housing	\$11,071	72	192	119	289	\$17,493	94	248	\$11,070	119	289
O HOUSING	Loans Made	\$14,563	38	24	23	16	\$26,912	48	72	\$0	0	0
KELEY EMERGENCY FOOD PROJECT	Bed Nights of Housing	\$106,687	466	13965	440	12214	\$128,538	380	11600	\$106,690	466	13965
KELEY OAKLAND SUPPORT SERVICES	Bed Nights of Housing	\$107,394	1260	25560	1147	27128	\$151,020	1020	25560	\$107,390	1260	27128
EN'S REFUGE	Bed Nights of Housing	\$24,515	72	1080	134	1002	\$24,515	72	1080	\$24,520	134	1080
SING RIGHTS, INC.	Sessions Providing Assistanc	\$12,843	120	120	134	163	\$13,000	120	120	\$12,840	134	163
ITA HOUSE	Resident Days	\$14,583	36	6000	33	6330	\$16,032	36	6600	\$16,030	36	6600
SUBTOTAL		\$323,829	2208	48083	2174	48570	\$411,131	1914	46432	\$310,710	2293	50653

Units - Units of Service - the product persons served times the service measure. For example, if five persons participated in three meetings, count 15 units of service.